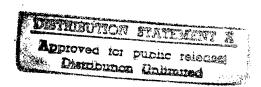
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East Europe Report



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21 March 1986

EAST EUROPE REPORT

CONTENTS

ECONOMY

GERMAN	DEMOCRATIC REPUBLIC	
	Technological Progress Required to Offset High Energy Cost (Gerd Schirmer; WIRTSCHAFTSWISSENSCHAFT, No 1, Jan 86)	1
POLAND		
	Producer Goods Allocation Guidelines for 1986-1990 (Andrzej Zawalski; RZECZPOSPOLITA, No 65, 19 Dec 85)	20
	Foreign Debt Servicing Fund Established (RZECZPOSPOLITA, No 65, 19 Dec 85)	24
	Goods, Services Subject to Official Pricing (RZECZPOSPOLITA, No 65, 19 Dec 85)	26
	Planning Official on Performance of Economy (Janusz Biernat Interview; Warsaw Domestic Service, 16 Feb 86)	31
	Briefs Reform Assessed in Radom Passenger Transit to Hungary Cooperation With Kuwait Trade Talks With Holland Steelworkers Need To Increase Quality Soviet Border Trade Cooperation With Bulgaria 1986-90 Trade Agreement With Romania Scientists in PRC Foreign Trade Official Assigned	34 34 34 35 35 35 35 36
ROMANI	A	
	Factors Affecting Fulfillment of Export Plan (D. Aldea; REVISTA ECONOMICA, 17, 31 Jan 86)	37

YUGOSLAVIA

	Example of 'Militarized Regime of Work' Discussed (Miroslav Lazanski; DANAS, 29 Oct 85)	45
	Briefs SFRY Trade With Hungary SFRY Trade With USSR, Mongolia	4 <i>8</i> 4 <i>8</i>
	MILITARY	
POLAND		
	General Staff Meets on Military Academy Recruitment (ZOLNIERZ WOLNOSCI, 28 Jan 86)	49
	Symposium on Stress Management in Armed Forces (Cieslaw Warych; ZOLNIERZ WOLNOSCI, 28 Jan 86)	51
	POLITICS	
GERMAN	DEMOCRATIC REPUBLIC	
	New Peace, Human Rights Group Reported Formed (Disa Hastad; DAGENS NYHETER, 22 Feb 86)	54
	Kessler Speech Reviews Army History, Goals (NEUES DEUTSCHLAND, 22-23 Feb 86)	56
POLAND		
	Porebski Explains New Science, Technology Council (Tadeusz Porebski Interview; RZCZPOSPOLITA, 7 Feb 86)	65
	New Appointments From Naval Military Council (Jozef Wasilewski; ZOLNIERZ WOLNOSCI, 14 Feb 86)	67
	Gdansk Aktivs View 'Social Wrongdoing' (TRYBUNA LUDU, 15-16 Feb 86)	68
	Baryla at Eltra Works in Bydgoszcz (Bydgoszcz Domestic Service, 17 Feb 86)	70
	Foreign Minister Addresses 'Children's Friends' Group (TRYBUNA LUDU, 18 Feb 86)	71
	Committee Appeals for Gomulka Manuscripts (TRYBUNA LUDU, 19 Feb 86)	72

Paper R	Reviews Militia Reserve's 40th Anniversary (Jerzy Olszewski; TRYBUNA LUDU, 21 Feb 86)	73
Jaruzel	ski Receives DKP Delegation (TRYBUNA LUDU, 22-23 Feb 86)	75
PZPR La	w, Order Commission in Session (A. Salecki; TRYBUNA LUDU, 22-23 Feb 86)	76
Oliwa S	Speech on Soviet Army Anniversary (ZOLNIERZ WOLNOSCI, 22-23 Feb 86)	78
Role of	Basic Party Organizations Viewed (ZYCIE WARSZAWY, 24 Feb 86)	80
Jaruze1	lski, Gromyko Exchange Award Speeches (TRYBUNA LUDU, 28 Feb 86)	83
U.S., S	South Korean Maneuvers Viewed as Threat (Jerzy Markowski; ZOLNIERZ WOLNOSCI, 1-2 Mar 86)	84
Messner	Meets Legislative Council Officials (PAP, 7 Mar 86)	86
PZPR Pr	covincial, Regional Committees Meet (RZECZPOSPOLITA, 13, 17 Dec 85; TRYBUNA LUDU, various dates)	87
	Krosno Plenum on Agricultural Needs	87
	Chelm Plenum on Party Organization	87
	Lublin Plenum on Ideology, by Ryszard Wolak	87
	Przemysl Plenum on Training, by Jan Miszczak	88
	Siedlce Plenum on Local Party Structure	89
	Gdansk Plenum on Internal Party Structure	89
	Kielce Plenum on Ideological Training	89 89
	Plock PZPR, ZSL Joint Plenum	90
	Various Provincial Committees Meet Konin Plenum Focus on Ideological Work, by Ryszard Slawinski	90
		91
	Committees on Need for Stronger Party Lodz Plenum on Social, Economic Plans, by Jan A. Kraszewski	92
	Warsaw Committee, Audit Commission Meet	92
	Pila Plenum Notes Increased Party Numbers, by	
	Wladyslaw Wrzask	93
Briefs	GDR Unionists at 'URSUS'	94
	Technology Meeting at Council of Ministers	94
	Deputy Premier at Agricultural Newspaper	94
	Ambassador to Uruguay Named	95
	Farm Problems Discussed in Elblag	95
	PRON, Journalists Club Meeting	95
	Journalists Host Talk on Addiction	95
	Student Movement Hosted in Wroclaw	95

Political Scientists Meet in Torun		96
Lawyers Society Conference		96
Hungarian CC Delegation Visits		96
GDR CC Agricultural Delegation Visits		96
Coastal SD Groups Meet	•	97
Russian Language Teachers Meeting		97
Ambassador to North Korea Received	*	97
Messner Returns From Congress	•	98
Porebski Addresses Science Congress		98
Jaruzelski-Led Delegation Returns		98
Messner Chairs Presidium Session	A STATE OF THE STA	98
Czyrek on CPSU Congress		98
Jaruzelski, Messner at Science Congress		99
Jaruzelski, Messner Meet Scientists	٠	99
Messner Addresses Krakow Committee	•	99
Youth Agreement With USSR		99
Debt and Labor Problems		99
PZPR Voivodship Secretaries Conference		100
Soviet Ambassador Visits		100
Education Problems Discussed		100
Kalisz, Tarnobrzeg Defense Committees		100
ROMANIA		
Party Work in Transport, Telecommunications Ministr (Constantin Priescu, Anica Florescu; SCINTEI	y A, 11 Dec 85)	101
Briefs		
Peoples Councils Chairmen		106
SOCIOLOGY		
CEDMAN DEMOGRATIC DEDWIN TO	· .	
GERMAN DEMOCRATIC REPUBLIC		
High Job Turnover Rate Continues in Industry	·	
(IWE TAGESDIENST, No 33, 28 Feb 86)	• • • • • • • • • • •	107
	•	
	v 1	

ECONOMY

GERMAN DEMOCRATIC REPUBLIC

TECHNOLOGICAL PROGRESS REQUIRED TO OFFSET HIGH ENERGY COST

East Berlin WIRTSCHAFTSWISSENSCHAFT in German Vol 34 No 1, Jan 1986 pp 32-50

[Article by Dr of Economics Gerd Schirmer, certified engineer, born 1932, deputy branch director at the Central Institute for Economic Sciences; GDR Academy of Sciences. Original title: "Economic Problems of Saving Energy, Raw Materials and Materials under the Conditions of Intensively Expanded Reproduction"]

[Text] Economizing in the use of energy carriers, raw materials and materials is a decisive criterion in comprehensive intensively expanded reproduction. An improved economizing for the objects of labor that represent a high proportion of the running production expenditures for bringing out the economic end product reflects the increasing economic efficacy of scientific-technological progress. That decreases the proportion of embodied labor in overall production both in terms of the objects of labor and the consumption of the means of labor. "The proportion of value derived from raw materials and semifabricates has to decline when labor productivity is boosted because this productivity relative to those materials simply is being revealed by their value reduction." For our future economic development "the salient point is to ensure economic growth permanently through comprehensive intensification. That calls for setting high aims for boosting labor productivity and calls for further reducing production consumption."

Savings in energy, raw materials and material do, however, not bring about reductions in production consumption at an equal measure. It contains still other cost components which in their entirety are greatly influenced by the social division of labor. New levels in the socialization of production and labor also and new forms of the social division of labor must thus help reduce the overall specific production consumption.

"From the growth-promoting function of the saving of energy, raw materials and materials a number of basic problems and issues in reproduction theory are derived," which are addressed by the considerations that follow. Significant connections are brought out with reference to energy. Rapid and deep changes in the reproduction conditions exercise special effects on economic growth. Stimulating the growth process through rational energy use thus is of fundamental importance for the transition to comprehensive intensification.

On the Effect of Saving Energy, Raw Materials and Material in the Economic Reproduction Process

An important criterion of intensively expanded reproduction is the reduction of the ratio between the expenditure in live and embodied labor and the economic outcome, expressed in produced national income. "Saving live labor and material, making a better use of available fixed assets and investments—that together only gets us what we need. The point always is the total economic outcome in proportion to total resource expenditures. Our production growth will in the future depend mostly on efficiency improvements. Thus the output must rise faster than the expenditure in embodied and live labor."

The ultimate aim of socialist production is an ever better need satisfaction of all society. That implies meeting the needs in energy carriers, raw materials and materials for it, and this in such a way that need satisfaction is achieved as "a definite result by means of the lowest costs." The key for it "lies not mainly in broadening the raw material base, but mainly in its ever more rational utilization."

This entails complicated and, in part, contradictory processes. As Marx observed, "with the scale of production and the increased productive force of labor, through cooperation, division, machinery and so forth, there also grows the mass of raw materials, semifabricates, and so forth that enters into the everyday reproduction process.' One can, to be sure, not derive from that remark any proportionality between production and labor productivity and energy, raw material and material consumption, as if they were to show identical growth rates or their growth rates were to be governed by a definite ratio. Whereas primarily in the capitalist industrial countries the growth rates of production and primary energy consumption still came to a ratio of circa 1:1 up to the late 1970's, in the GDR primary energy consumption was much slower than the produced national income ever since the early 1960's. This reflects the results of an effective use of nature as a resource and of resourcessaving production. To the extent that science and technology become productioneffective, the consumption of energy, raw materials and material grows more slowly than production and may at times even decline absolutely. That is primarily the case when extensive tendencies in preceding reproduction and production cycles are replaced by intensive ones.

These savings in energy, raw materials and material compared with the produced national income growth decisively determine now and in the future the dynamics in the economic growth of the GDR. This pertains not only to releasing these resources in their material-substantive form, but also to the relative or even absolute reduction in running production costs, i.e. the release of operational expenditures. "By releasing capital," Marx remarked, "we mean that some of the total product which previously had to be turned back into constant or variable capital becomes available and surplus if production is to continue within the frameworks of the old scales." If production, however, is to proceed on a higher scale and be intensively expanded, the available resources, due to their productive reusability, become a source of economic growth. "This qualitative growth takes full effect when transformed into quantitative growth. The point then is not only reducing production consumption and saving working hours, but also to release potentials and means this way that would ensure dynamic growth."

The releasing of energy carriers, raw materials and material from the preceding production and reproduction process for the subsequent one at a higher scale is, at comprehensive intensification, no longer comparable to the scale of previous reproduction periods. That is why opinions that confine themselves to assuming that a better use made of raw material had always been the concern of technical improvements or new technologies miss the qualitatively new science and technology requirements. That can bring it about that priorities for scientific-technological developments decisive for a higher economy of the running expenses for embodied labor are underestimated and problems in savings and their reproductive effects are not recognized early enough. This might bring it about that the scientific-technological progress may indeed release resources which then, however, are not converted into growth, not realized in the sense of improved need satisfaction.

In drawing on the experiences with intensification, Erich Honecker at the seventh SED Central Committee session remarked "that it is possible for us over a longer period to increase production and national income while reducing the consumption of energy, raw materials and material in absolute figures." ¹⁰ From this it can be derived that the proportion of saving these production elements in economic growth not only has to increase, but even predominate, compared to an expansion of them, and help make intensification comprehensive.

That precisely does not make it very sensible to look at the rational use of these elements, let alone at economizing in them, solely as physical units, detached from the economic effect of manpower and working tools. It is equally inadmissible to judge energy saving apart from cost trends in other labor objects because that might ignore substitutions within labor objects that might have been triggered by the savings in one resource. Only through interdependence among all production elements is economic efficiency enhanced and is the needed contribution to economic growth achieved by saving energy, raw materials and material. That in turn is the precondition for "permanently, replicably, and irreversibly reducing the running costs in live and embodied labor that is required for the future production growth."

In view of the high costs of social labor and the price hikes for raw materials, especially energy raw materials, since the early 1970's, the dominance of energy saving over making more energy available receives a crucial importance. 12 That not only put a brake on a higher physical energy consumption, it also reduced the increase of energy expenditure. Thus the rational energy use has an impact on the growth ratio between production consumption and produced national income in favor of the produced national income.

Energy saving as the outcome of a rational energy use throughout the whole chain from producing primary energy carriers, their conversion and refinement, all the way to the use of energy in production and consumption reflects the reduction both of the physical consumption of energy and of the energy costs. We speak of energy saving when energy growth goes more slowly than does the produced national income and this tendency then improves economic efficiency, which presupposes linking the energy savings in volumes with reducing specific energy costs and keeping the social labor expenditure for energy savings down below that for an additional allocation of an identical energy volume. That way alone can energy saving contribute to reducing the socially necessary labor

expenditures for producing the economic end product, thereby fulfil its function in terms of intensively expanded reproduction, become an economic growth source, and create the prerequisites for its reproduction.

Yet the energy saving chain starts with the saving of resources. 13 It releases live and embodied labor that would otherwise be needed for allocating extra energy carriers and for measures in environmental production. Saving thus is more than just saving energy in physical units. It amounts to saving of social labor and, hence, of working hours that can then be redistributed over other sectors and branches for improving need satisfaction in terms of the economic strategy. The "real economy" of this processes does not show until working hours are saved through saving material resources. 14 That mobilizes the capacities needed to transform the saving of physical resources into economic growth.

The socializing effect of saving is seen in the diversely interlinking processes. While already the allocation of these resources suggested a high degree of social division of labor among the sectors carrying out the chief process with the preparatory sectors such as machine building and transportation, the strategic conception for turning savings into the predominant element in meeting demands for circulating funds and thus deriving the major portion of economic growth from it connects the saving with all the sectors and phases of the social reproduction process.

It takes socialist property relations, for all that, to convert saving into social progress. "Capitalism, in contrast to socialism, cannot convert scientific-technological progress into values for men because of the property relations in private capitalist appropriation, its maximizing of profits." Based on socialist property relations, energy, raw materials, and material are used for the sake of social interests. That then also provides socialism with more opportunities and more leeway for using the complementary function of saving and additional allocation of resources for a better need satisfaction of society, it being integrated in a concept for social progress.16

By using the advantages of the socialist production relations new economizing potentials are seen and become subject to long-term planning. The saving of energy, raw materials, and material on the production and consumption levels, including the reuse of their waste-products as secondary energy and secondary raw materials and their recycling into new production elements, not only alters the social division of labor but, with it, the resorting to social labor in the investment, basic assets, material, and labor-intensive initial stages in allocating circulating funds.

Moreover, the saving of energy, raw materials, and material simultaneously creates better conditions for the reproduction of nature as a source of social wealth. This not only cuts back the infringements on nature for gaining extra raw materials, resources also are set aside for future reproduction periods where they then will achieve higher growth effects through more effective technologies. Also reduced are environmental stress from noxious substances from raw material refining and from higher labor efforts to prevent and eliminate environmental damage. The saving of energy, raw materials and material thus becomes "a crucial condition for an ever better protection of nature and its resources." That also turns resources—saving growth into the most effective environmental protection.

Marx made a highly relevant remark in this connection to the effect that it is by no means the same thing "whether I produce (1) with half as much live and embodied labor as much of a product as before or (2) with the same amount of labor twice as much as before. In the former instance, labor -- in live and embodied form--is released that can then be used elsewhere." Yet this release of labor constitutes an "augmentation of wealth" and "has quite the same effect as if such excess capital had been achieved through accumulation, while it saves the labor for accumulation."18 However, not until by saved resources existing needs are better or new needs are altogether, satisfied, such saving reinforces the process of intensively expanded reproduction and thus meets its socioeconomic goal. To that end it is necessary to link the scientifictechnological efforts to release resources with those toward creating favorable conditions for their reuse. This calls for a long-term implementation of the social labor redistribution to convert savings into economic growth and reduce the socially necessary labor costs for providing the economic end product. Therefore one must complement the saving computations in terms of natural units by economic cost/benefit evaluations.

Savings fulfil their function as growth source when they hold back production consumption vis-a-vis the produced national income, ease the economic investment and accumulation capacity, and improve economic efficiency. The growth rates in Tables 1 and 2 show the dynamics in this process. It is mainly reflected by the high reduction rates in the intensity of production and primary energy consumption and of the specific consumption of economically significant energy carriers, raw materials, and materials.

Table 1: Average Annual Growth of Significant Economic Parameters (Percentage)

		1970 1965			1984 1980	1980 1960
Produced National Income		5.2 6.4				
Production Consumption Primary Energy Consump-	6.0	0.4	3.0	4.4	1.0	3.0
tion (in volume)	3.2	1.7	1.6	1.7	0.3	2.0
Intensity ^{a)}						
$\operatorname{Production}$ Consumption	+2.4	+1.1	+0.4	+0.3	-2.6	+1.0
Primary Energy Con-						
sumption	-0.3	-3.3	-3.6	-3.2	-4.0	-2.4
Consumption of Economically Significant						
Energy Carriers, Raw Materials, and						
Materials per M 1,000 of Industrial						
Commodity Productionb)			-2.7	-4.0	-6.2	-3.4

a)=Ratio Between Production or Primary Energy Consumption and Produced National Income.

b)=1970=100.

Source: "Statistisches Jahrbuch der DDR 1984," Staatsverlag der DDR, Berlin, 1984, pp 13, 151; "Statistisches Taschenuch der DDR 1985," same publisher, pp 25, 54, 57.

Table 2: Growth of Selected Economic Parameters in the GDR since the Late 1970's (Percentage)

	1978 1977	$\frac{1979}{1978}$	1980 1979	1981 1980	$\frac{1982}{1981}$	$\frac{1983}{1982}$	$\frac{1984}{1983}$
Produced National Income Production Consumption Primary Energy Consump-	3.7 4.4	4.0 3.7	4.4 4.0	4.8 3.1	2.6 -0.9	4.6 2.0	5.5 2.3
tion (in volume) Intensity	2.4	1.4	-1.2	0.3	-1.8	-o.1	2.7
Production Consumption Primary Energy Con-	+0.7	-0.3	-0.4	-1.6	-3.4	-2.5	-3.0
Consumption of Economical	ly Si	-2.5 gnific	-5.4 ant	-4.3	-4.3	-4.5	-2.7
Energy Carriers, Raw Materials, and Materials per M 1,000 of Industrial							
Commodity Production	-2.4	-3.7	-5.3	-5.6	-7.5	-6.5	-5.0

(Same Source)

Whereas between 1960 and 1978 production consumption based on 1980 prices at an annual 5.8 percent increased faster throughout than the produced national income at 4.6 percent, this tendency reversed itself as of 1979. While the annual average growth rates of produced national income to production consumption to volume in primary energy consumption up to the mid-1960's came roughly to 1:1.7:0.9, these proportions improved up to the mid-1970's to 1:1.1:0.3, and up to the mid-1980's, to 1:0.3:0.1. This development reflects the results of increasing intensively expanded reproduction. While in the earlier period under consideration the volume in primary energy consumption still had to increase by an annual average of 0.9 percent to get a 1-percent national income growth, a smaller 0.3 percent did it for the second period, and in the 1980's thus far more than 90 percent of economic growth has come out of energy saving. The economic growth attained from phyiscal primary energy saving is shown in Table 3.

Table 3: Economic Growth Attained from Physical Primary Energy Saving (Percentage per annum)

1961-1965	1 <u>966–1970</u>	1971-1975	<u>1976–1980</u>	1980-1984
9	67	70	59	93

Source: Computed from "Statistisches Jahrbuch der DDR 1983," op. cit., pp 238-239; "Statistisches Taschenbuch der DDR 1985"; op. cit., pp 25, 57.

By an average annual increase of production consumption of only 1.6 percent between 1981 and 1984, a 4.4 percent increase in produced national income per annum was achieved. In 1982 economic growth compared with 1981 even showed an absolute drop in production consumption of nearly 1 percent. That reversed the ratio of the annual average growth rates between produced national income and production consumption in the outcome of the cost/benefit ratio of 0.82:1 between 1960 and 1980 to 2.75:1 since the early 1980's.

As Erich Honecker observed, "the trimming of production consumption became an essential factor for national income growth. Between 1977 and 1980 only 2.8 percent, M 800 million, came out of this source. In the years between 1981 and 1984, more than 40 percent in the national income growth came out of the reduction of specific production consumption. That was M 14.2 billion right there. The specific consumption of economically significant energy carriers, raw and working materials was cut back significantly. Between 1977 and 1980 it dropped by an annual average of 4.1 percent, between 1981 and 1984, by a 6.2 percent. All told, that saved in the last 4 years M 14.1 billion." 19

This development for sure was much affected by the change in the trend of primary energy consumption, dropping by 1.6 percent between 1980 and 1983, even if it rose again in 1984. Linked with an increasing share of domestic lignite as part of the primary energy production, however, the rise in primary energy costs could be held down. This reflects manifestations essential to the growth-affecting role of resources saving. The less, e.g., the volume consumption of primary energy increases compared with the produced national income, the more economic growth is due to physical energy saving. But when primary energy consumption in physical units declines absolutely, not only economic growth is attained completely through the volumes in energy savings. For the simple reproduction of the net product also less primary energy is used than in the previous year. But since economic growth depends on the simple reproduction of the net product, an absolute resources saving gets from that its towering importance for comprehensive intensively expanded reproduction.

Because of the favorable development of the physical primary energy consumption since 1980, relative to 1979, until 1983 the primary energy intensity of the produced national income declined faster as a natural value magnitude at the annual average, at nearly 4.6 percent, than the produced national income rose at circa 4.5 percent—a tendency that reflects the transition to comprehensive intensification. ²⁰

Without such a saving, circa 60 million more tons of lignite would have had to be made available in 1983 compared with 1980. Considering the high and, in tendency, strongly increasing costs in social labor for expanding energy production, that would have required a considerable volume of labor, investments, basic assets, transport capacities, and outlays for environmental protection to make available and refine the lignite. Its exploration and extraction alone would have cost us some M 6 billion. 21

This positive development is not altered even by the primary energy consumption increase of circa 2.7 percent from 1983 to 1984. Because of the high increase in produced national income of 5.5 percent, the energy intensity dropped by 2.7 percent. Consequently, roughly half of the national income growth in 1984 came out of energy saving. Also for the future development it turns out to be possible and necessary to realize 75 to 80 percent of economic growth without additional energy consumption, i.e. out of energy saving.

To get such growth proportions is a requirement of intensively expanded reproduction. Also in the USSR, as Mikhail Gorbachev has pointed out, "the increased economic demands for fuels, raw materials and materials are to be covered up to between 75 and 80 percent from savings" in the years ahead. 22 Reserves for it

are found in reducing the conversion and transportation losses and the high specific material and energy use for many means of production and consumption by way of scientific-technological progress.

To parry the impact rising energy costs have on production consumption, the volume of energy consumption should have to drop circa by the same degree that energy costs rise. Yet the rapidly rising prices for energy raw materials on the world market since the early 1970's, the higher prices for equipment that produces and refines primary energy—rising to a somewhat smaller degree—and the specific labor efforts—rising because of poorer qualities and the increasing ratios between top layers and coal and between water and coal—for producing and refining domestic lignite could thus far not be compensated for. The ratio between the annual average growth rates of primary energy costs and primary energy consumption in the 1970-1983 period lies around 3.7:1.²³

The ratio between the average annual growth rate of primary energy costs to produced national income and to production consumption in the early 1980's, at 12:3:1, indicates that the slower growth in production consumption in the outcome of deeper intensification, as compared with that of the produced national income, was achieved through a higher efficiency in other production elements. This tendency is likely to affect significantly also the future process of comprehensive intensification. For that reason, scientific-technological progress must be accelerated to an unprecedented degree either to render more favorable the influence of primary energy costs on production consumption through decisive improvements in primary energy use or to compensate or overcompensate for that influence through a higher efficiency in other production elements.

Scientific-Technologial Progress and Saving of Resources

A hastened economic utilization of the data of scientific-technological progress is increasingly becoming a basic requirement for improving the energy and materials economy. Scientific-technological progress is brought to realization here in appropriate working tools and their novel technological combinations, in the objects of labor, in that energy carriers and raw materials are exchanged with one another or a higher grade or less energy-intensive materials are utilized, as well as in energy-saving consumer goods consuming less material. At the same time, a broader capability is provided for reusing energy and material waste products from production and consumption as secondary energy and secondary raw materials.

Working tools substitute for labor objects in production. Reduced specific consumption of labor objects then can justify a dropping basic assets quota if that improves economic efficiency. At the same time, to operate these working tools, energy is needed and through the use of new energy-consuming technologies live labor is substituted. These tendencies on the whole lead to the use of energy carriers higher in use properties, the production of which also calls for a higher labor effort per energy unit. Then, even when energy is saved in natural units, energy costs may rise.

Rising proportions in the growth rates as of the produced national income and the consumption of enery, raw materials and materials express increasing efficiency of the primary energy and raw materials drawn into the economy cycle and are also regarded as a higher refinement criterion of theirs. 24 Generally speaking, refining is a process in which through the use of intricate live labor more and better use-value is produced from a given unit of raw material. It amounts to a sort of reversal if certain use-values, material, product, or utility structures have to be made available from qualitatively inferior raw materials and primary energy carriers. Here the enhanced refining of domestic raw lignite gains special importance for an energy and substantive use in lieu of oil products. Performing this substitution efficiently enough so that it can lead to resources saving and become an effective growth source makes demands on science and technology and becomes a crucial condition for ensuring the GDR's energy and raw material base.

A better energy and materials economy in one sector or process must, however also lead to higher efficiency in other sectors or processes. Thus there is the task at the economic utilization of scientific-technological progress in resources saving of simultaneously reducing the socially necessary labor effort for economic growth. Reducing the consumption of circulating funds in one sector that would lead to higher labor efforts in another, therefore does not count as saving.

In evaluating technologies and effects of saving one must therefore see to it, first of all, that reducing equal amounts of various use-values will produce diverse economic effects. As the effort needed to produce 1 joule of energy comes to a multiple of what is needed for the same amount of raw lignite, energy cost savings also differ from one another considerably.

Second, trimming the specific costs in utility energy ultimately saves primary energy resources. The magnitude of working hours saved, however, depends on which primary energy the saved utility energy was produced from. Thus, electrical energy and fuel production from raw lignite makes different demands than does petroleum on the magnitude and structure of the labor effort. Here one has to pay special attention to the cost dynamics due to the running costs for the production of the given utility energy. Thus, because of the high share of fuel costs in the total costs for electrical energy production on lignite base, changes in lignite costs affect the prime costs of electrical energy much more than is the case in producing it from nuclear fuels.

Third, primary energy is saved, both in volumes and values, when one manages to improve the conversion effects and to cut down the production losses. Right now, only a little more than six volume units of utility energy are produced out of ten volume units of primary energy, at the average, proportions produced being vastly diverse; for electrical energy production it is only circa 3.2, for fuel production on a petroleum base, it is more than twice as much. When there is more electrical energy in the production of utility energy, the ratio will worsen in case the heat produced is not used well in production and consumption. That attaches so much importance to reusing the waste of secondary energy or secondary raw materials. "At present, nearly 12 percent of industrial raw material requirements are covered by secondary raw materials." The technical-economic usable secondary energy potential comes to circa 10 percent of the GDR's primary energy consumption. This high proportion of primary energy

resources drawn into the economic cycle is lost today, and on the average that magnitude can represent the total raw material consumption. From this arises as an important task for science and technology a vast broadening of the potential usable as secondary energy and secondary raw materials. It means cutting back the consumption increase in primary energy and raw materials. Orienting science and technology more to working with secondary raw materials thus turns out to be an important requirement for comprehensive intensification and for improving the economy of social labor altogether.

Finally, and fourthly, substitution processes result in energy savings when the economically less favorable energy carriers are replaced by the economically more favorable ones, as was the case in substituting for heating oil by domestic lignite for energy use, made apparent by the prevailing ratio of specific costs at more than 5:1.28

The saving of energy, raw materials and materials in various processes makes diverse demands on the use of social labor in applying scientific-technical progress. So one has to pay attention to various levels of savings and their effect on the economic reproduction process.²⁹

The first level is marked by energy, raw materials, and materials being saved by better standards and contingents and the elimination of waste including uses with less waste through technological improvements. This opens up potentials facilitating higher economic growth, without resorting much to investments, as compared with using extra resources. Thus far the largest savings have come from this level, which will keep reproducing its potentials at various magnitudes, so that it constitutes a permanent productive force through using the opportunities of the social division of labor, of the combines and of production organization.

The point at the second level is to use technologies known on the global scale that are having resources-saving effects. Putting them to effect requires time and investment and R&D expenditures.

As to the third level, there generally new resources-saving technologies and procedures, so-called key technologies, have to be developed and used. "That mainly includes microelectronics, modern computer technology developing on its basis, automated design and production preparation, flexible automated processing systems, new processing technologies, new working materials, and the whole biotechnology field. One must here also refer to creating cohesively closed substantive cycles in which the waste products that come off are to the largest extent being recycled." This calls not only for an appropriate time lead, but also for higher efforts in social labor for R&D, investments and manpower.

All three levels are interacting and must always be pursued simultaneously. Along with the needed scientific-technological innovations of the third level, technological improvements continue to be of fundamental importance as elements of rationalization. The largest share of savings has come from them and will continue to come from them. Compared with that, the share of completely new procedures in resources saving has been relatively small in the period under consideration but sets the premises, as it were, for new large saving potentials for reproducing resources economizing on the large scale of production.

Through a new working principle or procedure, as one knows, such as microelectronics, biotechnology, or converter steel technology, also the economy of the objects of labor by way of the technological procedures substituted for is at once improved and the consumption of resources per value of product, radically reduced. Such "labor of exceptional productive force is exponential in effect." Its economic effect exceeds the social average in manufacturing such a commodity or satisfying some definite demand. However, the possible advantage from it is realized fully only when the technology in question is used rapidly and massively and the average social production level is elevated all-around. Only through the massiveness of the technology and its constant rationalization, the inherent productive force provides comprehensive savings in working time. The less social labor is expended in its use, the more productive it is and "the more its service approximates that of the forces of nature."

Once it has been set in motion, the resources-saving so achieved remains in effect, repeats itself as a service of scientific-technological progress free of charge. Savings grow further through constant technological improvements until that technology gets replaced by a new technological design. In the course of this process, this cycle, time and time again new production conditions arise with new levels of the social division of labor and new opportunities and requirements for trimming the running production consumption. To the extent that the saving potentials, accessible rather easily and through slight investments, are exhausted on the current production and reproduction scale, new resources-saving potentials have to be tapped on the subsequent scale. There is a "process of constantly reproducing the technology at increasing scales." When scientific-technological innovations are not economically utilized in time, the tapping of possible saving potentials is delayed, the economy of social labor is diminished, and new growth-inhibiting factors may occur.

The cost/benefit ratio is much improved when the time factor is given attention and technological improvements rapidly contribute to the tapping of savings potentials. A one-time expense may, to be sure, be considerable. But it not only is returned fairly soon, it creates a pertinent benefit above and beyond it because the effect of this exceptional productive force is extended. Resources saved also, when used later, may produce higher economic effects. Lignite not used today for energy purposes can provide multiple benefits later, at enhanced refinement, for the energy and materials economy. From that are deduced not only the requirement, but also a great responsibility for spotting new working principles, procedures, and technologies and their being rapidly put into production. That actually is a prerequisite for ensuring resourcessaving growth long term.

Normally basic innovations call for an extensive upgrading of the material-technical production conditions and for providing such technology with adequate new equipment. This process of substituting for energy, raw materials, and materials by labor assets may even justify a temporary drop in the basic assets quota if that is then being overcompensated by diminishing specific energy, raw materials and materials consumption.

By combining extant assets into new technologies which, through the use of rationalization means, is tantamount to an upgrading of the production base,

processes are under way in which, step by step, a new type of technology, the resources-saving type, evolves. From the economic vantage point, technological modernization appears to be the only feasible way "for increasingly achieving effects of expanded reproduction by means of simple reproduction." Then the slower growth in basic assets allocations for live labor, as compared with the labor productivity, must be linked with a less loss-incurring untilization of energy, raw materials, and materials and with reusing waste products as secondary energy and secondary raw materials, to hold the increase of such resources down.

Technological improvements today and for a long time to come are decisive for elevating the economy of embodied labor so that resources-saving growth becomes the crucial component. In no other way is the eocnomic strategy conceivable under the conditions of by no means unlimited resources and the higher costs for extracting and refining them. "Perfecting what we have only helps us gain the means for simultaneously creating new material prerequisites for the most up-to-date technological processes." The more consistently that is done, the more we are opening up an accumulation source for developing new material-technical production conditions for enhanced raw material refining.

No country can afford today to orient itself solely to new working principles and procedures on the basis of new working tools in order to economize in resources. It would far exceed economic possibilities and preclude any short-term introduction of economic procedures. If between 1960 and 1984 the basic assets allocations for live labor in the GDR, at an average annual 5.5 percent, increased much faster than the produced national income, at 4.5 percent, and the labor productivity, at 4.4 percent, there was yet differentiation in the courses these processes took (cf. Table 4).

Table 4: Economic Cost and Efficiency Growth Entities in the GDR (in percent)

·	1960-1980 Total Period Annual Average		1980-1984 Total Period Annual Average			
Basic Assets, Producing Sector	297	5.6	123	5.4		
Primary Energy Consumption (Volumes)	150	2.0	101	0.3		
Basic Assets Allocation for Live Labor						
in the Producing Sector	298	5.6	121	4.8		
Labor Productivity (Basis: Produced						
National Income)	242	4.5	116	3.9		
Basic Assets Quota (Basis: Produced		,				
National Income)	82	-1.0	97	-0.9		
Primary Energy Intensity (Basis:						
Produced National Income) ^{a)}	61	-2.4	85	-4.0		

a) At primary energy consumption at volumes

Source: Computed from "Statistisches Taschenbuch der DDR 1985," op. cit., pp 25, 32, 35, 57.

Between 1960 and 1980, the ratio between the average annual growth rates from increased labor productivity and the increase in the basic assets allocations for labor was 0.80:1. In the early 1980's it scarcely improved, labor productivity increasing more slowly. While the basic assets quota also only improved slightly, and still shows a declining trend, a new magnitude was reached in the decline of primary energy intensity. It underscored the need to bring about a resources—saving principally through better basic assets utilization.

That is made apparent by processes such as a comprehensive application of the heat-power coupling, which makes possible more than doubling the effective degree of primary energy conversion in electrical energy production. "With the volume of coal used being identical, along with electrical energy production, more secondary energy becomes available to satisfy the heat requirements."36 Such an increase in the effective energy degree, to be sure, depends on preconditions that are not only technical or economic. For instance, customers must be found or created close to the place where the heat is generated since, on technical and economic grounds, transportation distances are limited for heat energy. To be sure, the one-time cost for heat-power coupling comes roughly to what it would cost to set up a comparable heating plant based on lignite. However, while for such a heating plant lignite would constantly be needed, the heat-power coupling uses heat that would otherwise evaporate as waste product into the environment. The heat becomes available free of charge, virtually. This is a productive force man absorbs gratis, without extra work, a productive force given by nature. 3

The use of this productive force and its effectiveness come out of the "social combination of labor," the special improvement of extant machinery. The full utilization of the advantage in this productive force, to be sure, calls for a level of socialization which creates, along with the technological possibilities in the production process itself, also the necessary prerequisites through an appropriate distribution of the productive forces and sets up consumer centers close to already existing heat producers. At the same time—and this holds true especially for setting up a nuclear energy base—new heat and electrical energy production capacities have to be established where consumer centers already exist or are meant to be set up in the wake of the territorial distribution of the productive forces and the development of new production structures.

Though the use of known technologies provides a large source of resources-saving, it cannot be a matter of merely copying the familiar. Strengthening economic efficiency largely depends on which top technologies in resources-saving are made available. This precisely controls a more efficient utilization and more enhanced refining of domestic raw materials and the sale of relevant technologies, by which over the long haul economic advantages—a surplus value—also becomes possible on the foreign market.

For that, the time horizon is most essential. Today for instance one is quite certain for a fairly long time about the effect of social productive forces on the expansion and diversification of energy production—such as using nuclear energy or lignite refining—with possible projections for over 30 to 50 years. For energy economizing this is by no means so to the same extent. Yet there too the time horizon for including new productive forces in the economic cycle has

to be broadened. This is a basis for estimating their technical utilization and their effects on energy and material requirements and for predicting their economic efficacy on the economic scale and, especially, the requirements made on social labor and its distribution.

Watching these tendencies and estimating their effects on productivity and resources-saving is as important as perfecting the procedure itself. In finding new solutions for a better economic utilization of the circulating funds, in a fast and massive effectiveness of these results in all phases of the social reproduction process, and in reusing saved resources and their conversion into social progress, new forms of socialization are occurring in the process of comprehensive intensification. That calls for working on these problems in a complex fashion and through interdisciplinary research. 40

On the Social Labor Effort for Saving and Expansion

It can be assumed that the saving of a unit of energy, raw material and material over the long run calls for less specific effort in social labor than producing extra units of them. Analyses have shown that the effort in saving a physical unit of energy is only circa 30 to 50 percent of what it takes to make extra units available. Hedrich and Riesner have shown that the average social effort in energy saving, depending on the process, comes to between 2 and 50 percent of the use of fossile energy carriers via conventional conversion.⁴¹ Though expansion as well as economizing costs are likely to rise in the future, these average values are not likely to change much. Even if in some processes the economizing costs will temporarily increase faster than the cost for additional production. If the environmental stress reducing effect of saving, still neglected in part today, is included in the evaluation, the saving effort may come to still less. The production effort could rate as the boundary effort for saving.

This cost trend calls for an accurate analysis, to be sure. For one thing, because of general changes, in the material-technical production conditions of the energy and raw materials base, in the primary and utility energy structure, and in the raw materials and materials structure the tendencies in the economizing and expansion efforts are going to change. And then also, the effort evaluation must account for not only the one-time effort in social labor, but also for the running expenses, not only for the direct, but also for the indirect outlays.

If one compares the one-time outlays for saving with that for expansion, one may get a very incomplete picture in favor of economizing measures. Running expenses must also be evaluated that are generated within a given period relative to the reproduction costs. When heat is produced from lignite, e.g., the fuel costs are the most dynamic magnitude. It reflects the increasing fuel costs and shows up, during the expansion measure, when an extra heating capacity is established, always at a considerable altitude and with a mounting tendency. When, on the other hand, the heat-power coupling is used as an economizing measure, that influence declines.

To understand the order of economic magnitude, in paying attention to the interlinking relationships, the socially necessary labor effort in the processes prior and subsequent to economizing and expansion—the indirect expenditures—have to be included in the assessment. Only from comparing the total expenses, which are nearly quite as high as the direct ones, one can detect the tie—up of social labor for need satisfaction to circulating funds and their needed distribution over the branches and sectors. Because of this high share of social labor—energy and raw material investments reach magnitudes of circa two—thirds of all industrial investments—it is at the same time a most decisive magnitude for production structure development.

While even determining the expansion and production efforts including all these components is not all that uncomplicated, the economizing effort raises many new problems. The use-values produced become real only when they are being applied for the sake of improved demand satisfaction. This includes such use-value properties as a reduced input/output ratio, easy maintenance, or regeneration and modernization capacities, the effects of which reflect the energy and materials economy. The saving of energy, raw materials and material becomes an important component of efficiency, to be sure, but cannot easily be attributed to a particular process or product.

Reducing the specific expenses in circulating funds may result in economic losses when it results in excessive labor efforts in the utilization of the use-values. For the sake of improved demand satisfaction not even the instance is precluded of raising the labor effort in production if over the whole working life of the commodities incomparably higher savings are attained. Input/output can thus be judged only by evaluating both the costs and the benefits the users derive. The saving of heat energy, e.g., through more highly insulated panels or new and more expensive insulation materials may even involve higher construction costs. If one then were to pit the heating costs saved against the one-time expenses for such insultation materials, one would undoubtedly come to reject such better insultation. The economic efficiency of the economizing measure to be taken today will become visible only over a period of perhaps 50 years by accounting for the running surplus costs for wages and heat and the final magnitude of future reproduction costs.

To deduce from this complicated matter, however, that the saving effort cannot even approximately be predetermined, would place in doubt all given posibilities for planned and proportionate economic development. What rather is necessary is to perfect our sets of instruments constantly. The "precise assessments of expenditures is of great weight because that prepares the field of decisionmaking for economic planning."42 That makes possible a more accurate formulation of scientific-technical requirements, long-term redistribution of social labor, and the introduction of structural changes that come with it. Hence, investments for saving in their material-substantive structure differ decidedly from those for expanding the production of energy, raw materials and material. It simply is not immaterial whether investments are to be allocated for expanding the lignite production and its liquefaction into fuels or for producing a combustion engine that now only uses merely 5 instead of 9 liters per 100 km, which considerably reduces fuel requirements. Disparate requirements emanate for production structure development from using investments for open-pit mining equipment and chemical plants or, predominantly, for products of machine tool construction.

Securing a stable economic growth over the long run cannot come from economizing alone, of course. Economizing and the expansion of the energy, raw materials and materials production continue to exist in unity as they always did. That is actually a basic condition for intensively expanded reproduction. And here one has to distinguish between enlarging the necessary production of these resources and the expanding of the material-technical conditions for that production.

Economically, there arises the problem in making energy available that even the plain reproduction of the physical replacement fund in energy leads to rising costs in social labor; for one thing, because of the declining natural terms in primary energy production and the price hikes on the world market; but then also because even when the energy consumption, at physical volumes, does not increase or increases only slightly, pit mining has to be opened and lignite refining plants and nuclear power plants and heating plants have to be built. The material-technical conditions for energy production have to be expanded, and old open-pit mines and installations have to be replaced by new ones.

Similar in part also are the problems in making other raw materials and materials available, as in the conversion to converter steel or plasma technology in metallurgy, in the industrial application of biotechnologies in agriculture, in raw material extraction and other industrial sectors.

The unity between intensive and extensive development in the energy and raw materials base underscores the great economic importance of economizing. One thing is obvious: If through economizing the increase of the physical replacement fund for energy, raw materials, and materials is held back, it relieves the economic investment and accumulation capacity, and the absolutely necessary assignment of social labor for expanding the energy and raw materials base and for substitution measures can be distributed over a longer period. An important science and technology task is to make an important contribution to resources—saving growth through the economic utilization of scientific—technical progress and new energy and material—saving technologies, means of production, and technical consumer goods. For that one has to find the kind of effects of the scientific—technological revolution that ensure the best growth conditions. Interdisciplinary efforts are offered a broad field for evaluating the technical, economic, and social effects.

FOOTNOTES

- 1. K. Marx/F. Engels, "Werke" [Works] Dietz publishing house, Berlin, 1956 ff; Vol 25, p 271.
- 2. E. Honecker, "Zur Vorbereitung des XI. Parteitages der SED" [Getting Set for the 11th SED Congress] (10th SED Central Committee Session), Dietz publishing house, Berlin, 1985, p 30.
- 3. W. Heinrichs, "Economic Growth and Satisfying Energy Demands Long Term (Problems in Reproduction Theory)," WIRTSCHAFTSWISSENSCHAFT, No 10, 1982, pp 1449 f.
- 4. E. Honecker, "Bericht des Zentralkomitees der Sozialistischen Einheitspartei an den X. Parteitag der SED" [SED Central Committee Report to the 10th SED Congress] Dietz publishing house, Berlin, 1981, p 55.

- 5. K. Marx/F. Engels, "Werke," loc. cit., p 95.
- 6. H. Koziolek, "Stable Economic Growth Through Comprehensive Intensification," EINHEIT, No 12, 1983, p 1112.
- 7. K. Marx/F. Engels, "Werke," Vol 24, p 143.
- 8. Ibid., Vol 25, p 121.
- 9. O. Reinhold, "Our Economy in the Social Conception of Developed Socialism," EINHEIT, No 1, 1985, p 12.
- 10. E. Honecker, "In kampferfuellter Zeit setzen wir den bewaehrten Kurs des X. Parteitages fuer Frieden und Sozialismus erfolgreich fort--7. Tagung des Zentralkomitees der SED" [In These Times of Struggle We Press Ahead Along the Road to Peace and Socialism Charted by the 10th Party Congress--7th SED Central Committee Session], Dietz publishing house, Berlin, 1983, p 24 f.
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- 12. Cf. J. Herrmann, "Aus dem Bericht des Politbueros an das Zentralkomitee der SED--10. Tagung des Zentralkomitees der SED" [From the Politburo Report to the SED Central Committee--10th SED Central Committee Session] Dietz publishing house, Berlin, 1985, p 83.
- 13. Cf. W. Heinrichs, "The Raw Materials, Energy and Materials Economy in the Continued Implementation of Comprehensive Intensification," materials of the session by the task force on "theoretical and practical questions of the energy and materials economy," 17 April 1984, 1/1984, p 13 f.
- 14. Cf. K. Marx, "Principles of the Critique of Political Economy," Dietz publishing house, Berlin, 1974, p 599.
- 15. E. Honecker, "Zur Vorbereitung . . .," op. cit., p 18.
- 16. Cf. W. Heinrichs, "Economic Growth . . .," op. cit., p 1452.
- 17. H. Reichelt, "Environmental Protection Calls for Detente in the Spirit of Helsinki--Speech at the International Environmental Conference," NEUES DEUTSCHLAND, 9 July 1985, p 3.
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- 19. E. Honecker, "Zur Vorbereitung . . .," op. cit., p 26.
- 20. Cf. "Oekonomische Strategie der Partei--klares Konzept fuer weiteres Wachstum" [The Party's Economic Strategy--A Clear Concept for Further Growth] Dietz publishing house, Berlin, 1983, p 16.
- 21. Computed from H. Bernstein, "60 Years After Agnes," WOCHENPOST, No 26, 1984, p 5.

- 22. M. Gorbachev, "The Basic Question in the Party's Economic Policy," NEUES DEUTSCHLAND, 13 June 1985, p 5.
- 23. Primary energy consumption computed in physical units, primary energy costs, at current prices.
- 24. Cf. O. Reinhold, "Socialist Rationalization in the Developed Socialist Society--Rationalization in New Dimensions," URANIA MITTEILUNGEN, No 1, 1984, p 7.
- 25. "Notice from the Central State Administration for Statistics on the Implementation of the 1984 National Economic Plan," NEUES DEUTSCHLAND, 19/20 January 1985, p 3.
- 26. Cf. H. Ziergiebel, "Rational Energy Use," EINHEIT, No 7, 1983, p 663.
- 27. Cf. Authors' Collective, "Rohstoff und Energie im gesellschaftlichen Reproduktionprozess und ihr Wechselverhaeltnis zur materiell-technischen Basis" [Raw Material and Energy in the Social Reproduction Process and Their Interaction with the Material-Technical Base], Akademie Verlag, Berlin, 1978, p 42.
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- 29. Cf. Authors' Collective, "Grundfragen der sozialistischen Reproduktionstheorie" [Principles in Socialist Reproduction Theory], Dietz publishing house, Berlin, 1982, pp 324 f.
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- 31. K. Marx/F. Engels, "Werke," Vol 23, p 337.
- 32. Ibid., p 411.
- 33. C. Kroemke, "Marx' 'Kapital'--Theoretical Foundation for Comprehensive Intensification," EINHEIT, No 6, 1985, p 504.
- 34. H. Koziolek, op. cit., p 1112.
- 35. E. Honecker, "Zur Vorbereitung . . .," op. cit., p 35.
- 36. W. Retschke, "The Power Plant Workers' Score Tallies: More Power Out of Less Fuel," NEUES DEUTSCHLAND, 1 August 1984, p 3.
- 37. Cf. K. Marx/F. Engels, "Werke," Vol 23, p 409.
- 38. Ibid., Vol 25, p 89.
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- 40. Cf. K. Hager, "Inevitabilities in Our Era--Driving Forces and Values of Socialism," EINHEIT, No 1, 1984, p 17.
- 41. Cf. P. Hedrich/W. Riesner, "Intensification and Energy Economy," ENERGIE-ANWENDUNG, No 3, 1984, p 79.
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ECONOMY

POLAND

PRODUCER GOODS ALLOCATION GUIDELINES FOR 1986-1990

Warsaw RZECZPOSPOLITA (REFORM GOSPODARCZA Supplement) in Polish No 65, 19 Dec 85 p 1

[Article by Dr Andrzej Zawalski, head of systems analysis and design department, Ministry of Materials and Fuel Management: "How is Access to be Gained to Materials?"]

[Text] In its Resolution No 124/85, the Council of Ministers set forth the general principles governing operation of the materials and equipment supply system over the 1986-1990 period, simultaneously authorizing the Minister of Materials Management to regulate certain detailed questions.

In accordance with this authorization, Directives have been issued regarding the principles applicable to the process of materials and equipment supply over the 1986-1990 period, together with a supplement (in the form of Circular No 15) deriving from Council of Ministers resolution No 178/85 on the National Annual Plan for 1986. The texts of these documents are discussed below.

Especially noteworthy are the following regulatory provisions contained in the documents in question.

1. The socioeconomic goals which will be given preference in the procurement process are defined in detail.

Such preference consists of imposing on suppliers of regulated materials the legal obligation of concluding contracts with customers carrying out assignents of this nature and granting these customers priority over other purchasers in procurement of free-trade materials.

Such priority will be given to enterprises engaged among other things in execution of operational programs, performance of assignments in the area of national defense and security (this also including production and services connected with firefighting), and production for export of processed goods a list of which is drawn up by the Minister of Foreign Trade.

Small-scale manufacturing units receive preference over a relatively wide range. They are units which statutorily employ handicapped workers, units performing essential services (ophthalmic, laundry, clothing, tailoring, reupholstering, and blacksmith-locksmith services), and units manufacturing folk art and craft objects.

2. The Directives specify the procedure for procurement of regulated materials, and also clearly define the scope of responsibility of mandatory agents toward customers. This applies in particular to the responsibility of responding within a period of 14 days to short-term orders placed by customers, the obligation of stating a delivery date with an accuracy at least of 1 month, and the obligation of acceptance of orders from customers by agents within a period no longer than 45 days in advance of the delivery date.

The purpose of these provisions is to institute greater discipline in the process of procuring regulated materials and to counteract the not infrequent cases of absence of any response by a broker to a customer's order and of giving information that might mislead a customer. Improvement in this area can have a favorable effect on the process of planning stock procurement and management in enterprises.

3. A new element in procurement principles for the 1986-1990 period deserving special mention is assignment of a higher ranking to long-term (multiannual) contracts. For this purpose, Council of Ministers resolution No 124/85 provides the possibility of collection by suppliers of surcharges added to the official prices of materials, provided that deliveries of such articles are made on the basis of a long-term contract. The ceiling of this surcharge is determined by the Minister of Finance. The Directives also provide that if such a contract is concluded for delivery of regulated materials, the volume of such articles covered by the contract will be exempt from the regulation procedure.

For obvious reasons, units performing the function of mandatory agents must participate in the conclusion of long-term contracts for supply of regulated materials, and any disputes will be resolved by the supervisory groups established.

Long-term contracts must be concluded above all between customers consuming large quantities of materials who regularly purchase the materials from the same suppliers. For one thing, this would permit partial stabilization of the contractual relationships between constant partners, and would also aid in acquiring exemption from regulation.

4. A significant measure instituted by the Directives is introduction of a special mode of coordinating trade in certain regulated materials employed in housing construction. The principle adopted for 20 such items is that the amounts delivered will be established within the volume distributed to the individual provinces, in keeping with the level of multiple-family housing construction in progress and with the level of repairs to residential structures.

This measure also ensures suitable coordination of the volume and direction of material deliveries with the geographic distribution of housing construction over the country. The experience acquired over the 1984-1985 period has confirmed that the measure is an effective one.

5. An important matter that has given rise to numerous disputes among enterprise supply offices is the so-called preemption principle applied in trade in regulated materials.

Council of Ministers Resolution No 124/85 clearly restricts the range of application of this right. On and after 1 January 1986, regulated materials may be resold without restriction by an owner who is a socialist economic unit, with the exception of customers purchasing such materials in connection with accomplishment of priority tasks given preference in procurement and submitting an appropriate order certificate relating to this circumstance, and also except for precious and nonferrous metals and liquid fuels to the resale of which the preemption granted to corresponding sales organizations must by no means be observed.

The preemption is in effect for a period of 14 days only, during which the sales organization must respond to an offer made by the owner of a stock of materials either by purchasing the lot offered or by indicating another purchaser.

Council of Ministers Resolution No 124/85 provides the possibility of widening, in justified cases, the range of application of the preemption principle in trade in regulated materials. Decisions are made in this matter by the Minister of Materials and Fuel Management, with the concurrence of the chairman of the Planning Commission under the Council of Ministers.

- 6. The Directives set forth detailed principles governing trade in liquid fuels. Because of the ongoing shortage of such fuels, restrictions have been maintained on purchase of 3 types of these fuels, that is, gasoline for internal combustion engines, diesel oil, and heating oil. Special restrictions apply to trade in and management of these fuels for the same reason. If a control authority discovers irregularity in this area, the limits that have been set may be correspondingly lowered, to as low as 15 percent if improper management is detected a second time.
- 7. Wholesale enterprises perform an important function in the materials procurement process. Because of the widespread wholesale network, they represent a closer and more convenient source of supply, especially for customers who consume less than the full amount of specific materials by weight in a given quarter. The minimum batch purchased wholesale can be fairly small and can include different assortments, unlike the supply offered by manufacturers, who justifiably propose sale on a single occasion of large batches of a single assortment.

In the Directives in question, mandatory agents have been assigned the obligation of securing a suitably large volume of goods for the wholesale trade. The currently frequent instances of shortage of materials at wholesale apply pressure on customers to place orders with manufacturers, even when the latter do not represent a rational source of procurement for them. This in effect leads to accumulation of overly large stocks of materials by customers, recycling of these stocks, and the establishment of intermediate rail links serving a small group of customers (such as supply plants or offices within the framework of associations and supply enterprises).

To improve the situation in this area, the units acting as mandatory agents have been assigned the obligation of concluding or verifying cooperation agreements with the wholesale enterprises listed in the annex to the Directives. Such agreements must contain all the essential provisions needed

for suitable development of wholesale trade in materials over the 1986-1990 period. This is extremely important for making the procurement process more flexible, as well as for modifying the unfavorable distribution structure of stocks of materials by increasing such stocks in the area of trade.

The principles set forth in Council of Ministers Resolution No 124/85 and in the Directives of the Minister of Materials and Fuel Management constitute a set of legal standards regulating procedures in the area of trade in regulated materials. The practical operation of these regulations will depend largely on the behavior and attitude of individual partners in the marketplace. This requires among other things that these partners be efficient and consistent in applying the authorizations to which they are entitled. Purchasers of materials must follow the established appeal procedure in the event of improper action on the part of suppliers. The economic arbitration system must be resorted to more frequently. Purchasers carrying out priority assignments in particular must avail themselves of the protection afforded by this system. Such purchasers, although presenting justified needs connected with the performance of these assignments, encounter refusal on the part of suppliers to conclude contracts on the terms desired. Experience has proved that this form of customer protection has not yet been properly utilized.

The efficiency of operation of the materials supply system, as regards both regulated items and articles not covered by the regulations, depends to a significant extent on the generally prevailing legal solutions governing contractual relationships in commodity turnover. An essential role is played here by the regulations applicable to the process of concluding purchase contracts between socialist economic units, and by the regulations introducing financial penalties for failure to adhere to the prevailing principles of trade in regulated materials.

As regards the regulations applicable to the principles governing conclusion of contracts, Council of Ministers Resolution No 207/83 has been updated to create more favorable conditions for protecting the position of the purchaser in the marketplace.

Financial penalties for violating the regulations governing the process of trade in regulated materials over the 1986-1990 period will be instituted in an order of the Council of Ministers. The basis and range of the financial penalties are expected to be essentially similar to those currently in effect.

When these legal instruments have been enacted, they will, of course, be published in REFORMA GOSPODARCZA.

6115

CSO: 2600/256

ECONOMY

POLAND

FOREIGN DEBT SERVICING FUND ESTABLISHED

Warsaw RZECZPOSPOLITA (REFORM GOSPODARCZA Supplement) in Polish No 65, 19 Dec 85 p 1

[Legislation: "The Foreign Debt Servicing Fund: Law of 23 December 1985"]

[Text] Article 1.1. The Foreign Debt Servicing Fund, hereinafter referred to as "the Fund," is hereby established.

- 1.2. The fundamental aim of the Fund is to create financial conditions for servicing the foreign debt.
- 1.3. Whenever reference is made in this law to socialist economic units, such units shall be understood to mean units as defined in Article 1, Paragraph 1, of the law of 26 February 1982 on taxation of socialist economic units (DZIENNIK USTAW [Official Gazette], 1984, No 16, Item 75, and 1985, No 12, Item 60 and No 37, Item 174).
- Article 2.1. The revenue of the Fund is made up of the following.
- (1) payments by socialist economic units in the amount of 2 percent of the net value of fixed capital, as determined on the basis of the status at the end of the previous year, made from the development funds or other funds intended for financing the development of such units.
- (2) payments by socialist economic units deriving from the portion of the excess value of stocks determined in connection with changes in official prices.
- (3) revenue from government foreign loans.
- (4) supplementary grants from the national budget.
- (5) other receipts as provided in separate implementing regulations.
- 2.2. The Council of Ministers will issue an order specifying the amount of the payments, extending over a period of 2 or more years, provided in Article 2.1(1). In this order the Council of Ministers may, in particularly justified cases, specify exemptions from and reduction of payments to the Fund.

- Article 3. The resources of the Fund are intended to supplement the existing sources for financing repayment of instalments representing principal plus interest of foreign debts and to service state credit granted abroad.
- Article 4.1. The Fund will be administered on the basis of annual plans approved by the Sejm (Parliament).
- 4.2. The draft annual plans for the Fund will be submitted to the Sejm by the Council of Ministers along with the draft balance of payments plan of the government.
- 4.3. The Council of Ministers will each year determine the amount of the portion of excess value of stocks subject to payment into the Fund.
- 4.4. The Council of Ministers will each year submit to the Sejm a report on administration of the resources of the Fund, together with a report on implementation of the balance of payments plan of the government.
- 4.5. Draft plans for the Fund and reports on the administration of its resources will be submitted to the Council of Ministers each year by the Minister of Finance.
- Article 5.1. The resources of the Fund will be administered by the Minister of Finance, in accordance with the plans specified in Article 2.1.
- 5.2. The Minister of Finance will determine the procedure and deadlines for making the payments specified in Article 2.1(1) and 2.1(2).
- Article 6.1. The regulations governing liability to taxation will be applied to the payments specified in Article 2.1(1) and 2.1(2).
- 6.2. The Minister of Finance will have authority to settle questions relating to obligations deriving from assessments in favor of the Fund.
- 6.3. Correctness of computation and timeliness of payments by socialist economic units based on assessments in favor of the Fund will be monitored by the revenue offices having jurisdiction in the area of the main offices of the units obligated to make payments into the Fund. In the event of incorrect computation or delay in remittance of payments, they will be authorized to establish obligations plus late payment interest and to collect the amounts due by administrative process.
- Article 7. Resources of the Fund which are not utilized within a given calendar year will be carried forward to the following year.
- Article 8. The provisions of the budgetary law relating to the administration of special-purpose funds will be correspondingly applied to questions not regulated by this law.
- Article 9. Article 16.2 will be deleted from the law of 3 December 1984 (budgetary law, DZIENNIK USTAW No 56, Item 283).
- Article 10. This law will enter into effect on 1 January 1986.

POLAND

GOODS, SERVICES SUBJECT TO OFFICIAL PRICING

Warsaw RZECZPOSPOLITA (REFORM GOSPODARCZA Supplement) in Polish No 65, 19 Dec 85 p 1

[Parliamentary resolution: "Official Prices of Goods and Services. Resolution of the Sejm of the Polish People's Republic of 23 December 1985 Listing Goods and Services for Which Official Prices are Set"]

[Text] The following resolution is hereby adopted on the basis of Article 7.1 of the law of 26 February 1982 on prices (DZIENNIK USTAW [Official Gazette], 1985, No 49, Item 261).

Section 1.1. Official prices will be set for the following.

- (a) Consumer goods and services of fundamental importance in establishing the costs of subsistence or preservation of human health.
- (b) Bread, rye and wheat flour, macaroni, barley cereal and semolina cereal, rice, and oat and barley cakes.
- (b) Pork, beef, and veal, products of such meats, with the exception of delicatessen meat products, ground meat, and chicken covered by the central distribution system, as well as giblets in regulated marketing.
- (c) Bacon, lard, butter, and vegetable fat.
- (d) Milk for human consumption; sour cream and sweet cream with a fat content of 9 percent and 12 percent respectively.
- (e) Domestically produced powdered milk and nutritious milk mixtures.
- (f) Cheese, with the exception of cheese from ewe's milk and combined ewe's and cow's milk.
- (g) "Bobo-Vita" canned goods, "Bobo-Fruit" food items and fruit and vegetable preparations for children less than 3 years old and produced by a special technology.
- (h) Sugar.
- (i) Domestically packaged varieties of tea (Popularna, Gruzinska, and Assam).

- (j) Coal and coal briquettes, coke, semi-coke, heating of residences with thermal energy, and delivery of hot water to residences.
- (k) Piped and non-piped gas and electric energy for household use.
- (1) School and academic textbooks and 16-sheet and 32-sheet notebooks.
- (m) Manufactured drugs, serums, and vaccines and bandaging products contained in lists drawn up by the Minister of Health and Social Welfare.
- (n) Transportation of passengers and freight in urban mass transit vehicles.
- (o) Services rendered by socialist social welfare establishments, infant care homes, kindergartens, day care centers, and guardianship and educational establishments, and by hostel services provided by school youth shelters.
- (p) Admittance tickets to moving picture theaters, museums and theaters, operas and operettas, philharmonic orchestra and other artistic institutions, except admittance tickets to stage, cabaret, and circus performances.
- (q) Services rendered by social health service establishments (hospitals, sanitation and epidemiological stations, etc).
- (r) Personal services performed by individuals for social public health establishments (giving blood, etc).
- (s) Transportation of passengers in coastal navigation.
- (2) Means of production and services of critical importance in determining capital replacement costs.
- (a) Coal and briquettes of coal, as well as coke and semi-coke.
- (b) Petroleum and fuel oil.
- (c) Piped and non-piped gas.
- (d) Electric energy.
- (e) Sawn wood and general-purpose timber.
- (f) Cotton.
- (g) Basic chemical fibers (viscose, polyamide and polyester, uncarded textile and industrial rayon, carpet rayon, staple and drawn viscose, polyamide, and polyester fibers of the cotton and wool types, carpet fibers, and staple and drawn acrylic and polypropylene fibers).
- (h) Rubber and latex.
- (i) New domestically manufactured tires for trucks, buses, and trolleybuses and for agricultural machines, equipment, and tractors.

- (j) Buses, trolleybuses, streetcars, trucks, and road tractors with a carrying capacity exceeding 1.5 ton.
- (k) General-purpose wheeled farm tractors manufactured by the Ursus Tractor Industry Association.
- (1) Apatites and phosphorites.
- (m) Ores and scrap metal (purchase and selling prices).
- (n) Iron and steel metallurgy products, with the exception of forgings, wheels, tire rims, forged and rolled rings, and railroad turnouts and accessories.
- (o) Metallurgical products of non-ferrous metals and products resulting from processing of non-ferrous metals.
- (p) Cables and conductors.
- (q) Sulfur and sulfuric acid.
- (r) Cement.
- (s) Cellulose.
- (t) Rye and wheat flour, barley and semolina cereal; pork, beef, and veal in the central distribution system; bacon, fat, and lard; vegetable oil and fats used exclusively for culinary purposes; milk for consumption; sour cream and sweet cream with a fat content of 9 percent and 12 percent respectively; cheese, with the exception of cheese from ewe's milk and from ewe's milk and cow's milk combined; sugar.
- (u) Artificial fertilizer, with the exception of horticultural fertilizer and agricultural limestone.
- (v) Medium-protein feed mixtures for cattle, hogs, and slaughtered poultry procured under contract; high-protein feed concentrates and mineral feed mixtures for cattle and hogs; milk-substitute feed mixtures; defatted feed milk; powdered buttermilk and whey; feed casein and grain, including corn, grain pellets, bran, and extraction pellets.
- (w) The basic plant protection agents contained in the list drawn up by the Minister of Agriculture, Forestry, and Food Economy, with the concurrence of the Minister of Finance, with the exception of ready-made imported products.
- (x) Services performed by medical equipment repair shops and medical equipment shops subordinate to people's councils or supervised by the Minister of Health and Social Welfare.
- (3) The purchase and selling prices of the following basic agricultural products that are imported or procured by socialist economic units.
- (a) Grain, with the exception of millet and grain planting stock.

- (b) Cattle, hogs, and calves for slaughter, as well as chickens purchased under contract, raised on the basis of a full-portion feed mixture out of government stocks.
- (c) Pigs and young boars sold in government intervention procurement.
- (d) Cow's milk.
- (e) Sugar beets.
- (f) Potatoes, with the exception of early potatoes and seed potatoes, over the period from January to May and September to December.
- (g) Rapes and turnips, with the exception of planting stock.
- (h) Sheep's wool.
- (i) Rawhides (cowhide, calfskin, and pigskin).
- (j) Leaf tobacco.
- 2. Official prices will also be established for the following.
- (1) Raw ethyl alcohol, rectified spirit (ethyl alcohol) (ordinary, select, and luxury grades), with the exception of desulfitized, post-rectification, and dehydrated alcohol and alcohol products, with the exception of those purchased from citizens.
- (2) Tobacco products, with the exception of those purchased from citizens.
- (3) Domestically manufactured matches.
- (4) Gasoline and fuel oil.
- (5) Gold and other precious metals, as well as precious metal scrap.
- (6) The funeral services contained in the list drawn up by the Minister of Construction, Area Development, and Municipal Administration.
- (7) Admission to municipal parks, zoological gardens, recreational centers, seaside resorts, and municipal baths and public lavatories.
- (8) Refuse removal by public service enterprises.
- (9) Mandatory testing and inspection of objects on the basis of separate regulations (performance of technical inspections, technical testing of vehicles, testing of imported and exported goods, and measurements and tests performed by the State Radio Inspection Authority).
- (10) State reserve warehousing services.
- (11) Maps and other geodetic and cartographic materials sold from the state geodetic and cartographic inventory.

Section 2. The following payments (fees and charges) will be regarded as official prices.

- (1) Those for domestic transportation of passengers and baggage by rail and in public airplane traffic (on regularly scheduled flights), with the exception of prices for pullman berths and in sleeping cars and for domestic transportation of freight by public motor vehicle and in water transport set on the basis of the conveyance law of 15 November 1984.
- (2) Those for postal and telecommunications services in domestic traffic set on the basis of the communications law of 15 November 1984.

Section 3. This resolution will enter into effect on 1 January 1986, and will remain in effect through 31 December 1986.

6115

CSO: 2600/256

ECONOMY

POLAND

PLANNING OFFICIAL ON PERFORMANCE OF ECONOMY

LD170506 Warsaw Domestic Service in Polish 1105 GMT 16 Feb 86

[Interview with Dr Janusz Biernat of the Planning Commission of the Council of Ministers, conducted by unidentified moderator—date not specified; live or recorded]

[Text] [Moderator] We have in the studio Dr Janusz Biernat of the Planning Commission at the Council of Ministers. Doctor, here we are in February, and to tell the truth, after the experiences of last year's winter, which caused us so many economic problems that in some spheres, the losses incurred were not made up by the end of the year, I think that it would be a good thing to consider how it will be with this year's winter.

[Biernat] I think that for the moment there is no cause for greater alarm, because as far as January is concerned, for all intents and purposes it was not exceptionally cold. Industrial production was nearly 5 percent higher than in January of last year.

[Moderator] It was not bad in January of last year either; it was only in February that [words indistinct].

[Biernat] Yes, that is so. It only began to get bad, and the biggest drop in production only occurred in February 1985. Of course, it is difficult to judge what this February will be like, because we don't have the statistics yet. As far as the results for January are concerned, they are not bad: regarding building and assembly production for January 1986, it is nearly 9 percent higher than that of January 1985; in haulage, again, there is no drop in January 1986. I also think that the effects of winter on the functioning and results of the economy must be examined from two angles: to what extent are such great drops in temperature alone used to explain the absence of progress in efficient economic management, low work productivity, and so forth; and to what extent is this effect [of winter] really relevant? I think that this effect was relevant last year in those first 2 months, because the elements of production, mainly those such as the power media, were directed to other purposes—not to production, but to the supply of the municipal sphere, to the communal economy, the sphere of [word indistinct].

[Moderator] Like heating.

[Biernat] Quite simply, heating, and this was the main, fundamental influence. However, we must also take into consideration the fact that while the harsh winters had a positive effect on foreign trade in coal, which means that coal export prices rose, we cannot count on this now, because oil prices are relatively low and are continuing to fall.

[Moderator] They are half of their highest level.

[Biernat] Yes, of their highest level, somewhat around 16 or even less per barrel.

[Moderator] Yet it had been as much as \$35.

[Biernato] That's right. Therefore, we not have to take into account the fact that we won't be able to counter the effects of the harsh winter with better results in coal export. The main issue is above all that of our structure. After all, the negative effects of the previous winter showed themselves, among other things, simply in the fact that coal export was lower in the first 2 months of 1985, which....

[Moderator interrupts] This is not because no one wanted to buy, but because we couldn't sent it out.

[Biernat] Because we couldn't send it out, because, above all, it had to go the communal sphere, to supply the town and countryside.

[Moderator] I attended several discussions concerning the party's draft program, and most discussion, relatively speaking, arose over economic matters outlined in this program. Of course, there are certain aims here, and it is difficult to talk about the details when one is analyzing the prospects for a dozen or so years, three 5-year periods at least and maybe more. However, certain doubts and anxieties were expressed that the slogan of an apartment for every family by the year 2000 occurs here; yet we know, after all, that it is a struggle at this moment, that one waits for 18 or even more years, and so, well into the year 2000. We know that every year the population increased by 340,000 to 350,000 Poles. I assume that they will marry, and as a result, 175,000 apartments will be needed for them. And we manage to build this many apartments every year with difficulty. To what extent are these optimistic points in the draft program realistic?

[Biernat] I think that the reply must be as follows. Just as on page 17 of the party draft program; I am thinking of page 17 of TRYBUNA LUDU. It contains a formula which says simply that we are banking on an objective presentation of the economic situation and all the problems of economic growth, and I think the reply must be that the scope for fulfillment of public aims, those concerning the program of housing construction, hospitals, education and upbringing, protection of health; all this will depend, above all, on

how far we are able to improve economic management efficiency. This means simply that the fulfillment of all these social programs, over and above the level which we are now implementing, will depend precisely on the extent to which we are able to increase production but with the same supply of the elements of production. What is the....

[Moderator interrupts] Raw materials, energy, and so forth.

[Biernat] Raw materials, energy, fuel and so forth. How did 1985 look? Well, it must be said that we didn't show any particular evidence of an increase in economic management efficiency. It is worth only....

[Moderator interrupts] Yet we talked a great deal about the fact that we ought to.

[Biernat] Yes, we ought to. It is true that we talked a great deal. Well, as an example, regarding realistic remuneration in the material production sphere, in practice it has goen up by 3 percent. This is, more or less as much as in industrial production, but we have not manifested a significant improvement in economic management efficiency. On the contrary, in some matters it is below the assumptions of the plan. Let us take export to countries of the second payment zone as an example. It is lower than last year in absolute terms, if converting to hard currency; but regarding export to, for example, countries of the first payment zone, the negative balance was significantly higher than we planned, and it is well know that dependent upon this export are, in turn, supplies, import supplies, and so on.

[Moderator] And the condition for exports is quality, once again, for the 4th year, we have a decreasing trend in, for example, exports of products of the ectronic machines industry to the second zone; it is clear that the structure of exports is such that we are not able to increase exports as quickly as we should with fuels, raw materials and various other goods. Therefore, it can be said that the point which concerns the scope of fulfillment of social programs in the party's draft program is dependent upon whether we are able to manage our affairs in a significantly more efficient way, and simply to economize more from those resources and materials at our disposal.

[Moderator] But you mentioned the unfavorable foreign trade balance. This also constitutes our debt, but to tell the truth, I didn't notice a proposal for solving this matter in the draft program.

[Biernat] Well, there is, of course, no other way of solving this than....

[Moderator interrupts] Than to pay up, of course.

[Biernat] Than through the increase of exports because paying up is an effect of the extent to which we are able to increase exports. That is the essential thing, therefore, of shifting the economy to a pro-export footing, which we are working on and talking about a lot. But to create any significant effects we simply have to work on it a bit more.

/6662

cso: 2600/306

ECONOMY

POLAND

BRIEFS

REFORM ASSESSED IN RADOM--A meeting was held in Radom on 25 February attended by enterprise managers, secretaries of PZPR plant committees, representatives of workers' self-management councils and of union aktivs in this voivod. Problems associated with the economic reform were discussed and its functioning in the Radom area was assessed. Participants in the meeting included: Zofia Grzyb, Politburo member, and Wladyslaw Baka, president of the National Bank of Poland and vice chairman of the Sejm Commission for Economic Reform. [Text] [Warsaw TRYBUNA LUDU in Polish 26 Feb 86 p 2] /12232

PASSENGER TRANSIT TO HUNGARY--Talks between Janusz Kaminski, minister of transport, and Lojos Urban, the Hungarian minister of transport, focused on the urgent need for improvement in passenger transit between Poland and Hungary, including shortening the length of time for train travel and raising the level of services. During the meeting in Warsaw, the heads of the two ministries also discussed other problems concerning current cooperation between Poland and Hungary in the area of rail, automobile and plane transport and established directions of its future development. [Text] [Warsaw TRYBUNA LUDU in Polish 26 Feb 86 p 2] /12232

COOPERATION WITH KUWAIT--About 6,000 Polish specialists are working in Kuwait, including doctors, engineers, geodesists and businessmen. Cooperation between the Foreign Trade Enterprise "Polservice" and many companies in that country results in the fact that Poles living there with group or individual contracts work in various walks of life. The 10 societies comprising the Society of Polish-Arabic Friendship will soon be joined by an 11th, which will bring Kuwait closer to Poles. An entrepreneurial group, headed by Abdul Mohammed al-Harni, a businessman who has been involved in trade with Poland for over 20 years, has also been established in this country. On 25 February, the national holiday of this country, namely, its 25th anniversary of independence, he discussed the prospects of economic cooperation with representatives of the Ministry of Foreign Affairs and enterprises cooperating with Kuwait. [Excerpts] [Warsaw TRYBUNA LUDU in Polish 26 Feb 86 p 2] /12232

TRADE TALKS WITH HOLLAND--An assessment of the present state of trade and economic cooperation between Poland and Holland and the potential for its further development was the subject of talks held on 24 February between A. Wojcik, minister of foreign trade, and H.A.L. Vijverberg, the Dutch ambassador. [Text] [Warsaw RZECZPOSPOLITA in Polish 25 Feb 86 p 2] /12232

STEELWORKERS NEED TO INCREASE QUALITY--The current situation in the steel industry, and problems related to steelworkers' social and working conditions were discussed today at a meeting between Deputy Premier Manfred Gorywoda and representatives of the Ferrum steelworks work force in Katowice. The deputy premier stressed that it is necessary, in accordance with government provisions up to year 2000, to increase the quality of steel products, primarily those of stainless steel. [Text] [Warsaw Domestic Service in Polish 1900 GMT 7 Mar 86 LD] /6662

SOVIET BORDER TRADE--Nearly 2 million tons of Soviet raw materials and goods were received over the period of 2 months this year by the workforces of frontier stations Zurawica-Przemysl-Medyka, which is an important place for trade exchange between Poland and the Soviet Union. The most important items are raw materials for our metallurgical industry, particularly iron ore supplied from Krivoy Rog. Deliveries of liquid fuels, mainly gasoline, have recently increased. [Text] [Warsaw Domestic Service in Polish 1900 GMT 1 Mar 86 LD] /6662

COOPERATION WITH BULGARIA--A meeting of the Polish-Bulgarian Commission for Economic Cooperation charied by Deputy Premiers Wladyslaw Gwiazda and Andrey Lukanov ended in Sofia. The results of last year's trade exchange were assessed positively and a protocol on trade exchange this year was signed. It envisages a 10 percent increase in turnover. [Text] [Warsaw Domestic Service in Polish 2200 GMT 27 Feb 86 LD] /6662

1986-90 TRADE AGREEMENT WITH ROMANIA--Trade between Poland and Romania will amount to around R850 million this year, 20 percent more in comparison with the assumptions for last year. This is envisaged by a Polish-Romanian trade agreement for 1986-90 signed today in Bucharest by Andrzej Wojcik and Vasile Pungan, ministers of foreign trade of Poland and Romania, respectively. Poland will export to Romania road construction and mining equipment among other things. We will import, among other things, machine tools, drilling equipment, coal wagons, and Aro cross-country vehicles. We will receive corn, aluminum, metallurgical products, and gasoline for our coking and power industry. In the group of consumptio projects the agreement envigsages, among other things, export of Polish vodka and import of Romanian furniture, net curtains, medicines, sport and tourist equipment, as well as wines and champagnes. [Text] [Warsaw Domestic Service in Polish 1900 GMT 4 Feb 86 LD] /6662

SCIENTISTS IN PRC--Beijing, Feb 28--A delegation of Poland's office for Scientific and Technological Progress and Applications has visited People's China at the invitation from the head of China's State Committee for Science and Technology. During the talks, the Polish delegation and the Chinese [word indistinct] initialed draft "programme for Polish-Chinese Cooperation in Science and Technology for 1986-1990" and a protocol on direct cooperation between Poland's Office for Scientific and Technological Progress and Applications and China's State Committee for Science and Technology. The Polish delegation was received by head of China's State Committee for Science and Technology Song Jian. [Text] [Warsaw PAP in English 2004 GMT 28 Feb 86 LD] /6662

FOREIGN TRADE OFFICIAL ASSIGNED--Warsaw, March 3--On the motion from the minister of foreign trade, the president of the Council of State recalled as of today Antoni Karas from the post of undersecretary of state in the Ministry of Foreign Trade, in connection with his being appointed to diplomatic service. At the meeting with foreign trade officials, Minister Andrzej Wojcik thanked Antoni Karas for his long-time work on the post. [Text] [Warsaw PAP in English 1711 GMT 3 Mar 86 LD] /6662

CSO: 2020/94

ECONOMY

ROMANIA

FACTORS AFFECTING FULFILLMENT OF EXPORT PLAN

Bucharest REVISTA ECONOMICA in Romanian 17, 31 Jan 86

/Article by D. Aldea/

/17 Jan 86, pp 13-147

Text The national transport system is to make a major contribution in both export and import operations to the objective of a 12-15 percent increase in the volume of foreign trade in 1986.

According to the law on the plan, the material base of transportation will be increased by 65 diesel and electric locomotives, 3,000 conventional freight cars on four axles, nonautomotive river vessels with a capacity of 178,000 tons, 25 river tugboats and pushers, and seagoing ships with a capacity of 641,000 tons dead weight. This will permit more intensive use of the Danube and the Danube-Black Sea Canal for freight traffic, greater coverage of the requirements for sea shipping by the Romanian fleet, and better use of the facilities in the inventory and the services rendered, all of which will make for elimination of the deficit in the balance of international transportation.

In addition to the technical measures in the way of expanding modern shipping technologies such as pallet and container shipping and mechanized loading and unloading operations, an effort will be made to improve management and organization of all transport systems (reducing idle time of ships and of freight cars in stations and marshalling, shortening repair periods and conserving fuels) and also of contractual relationships, which are basic to the economic mechanism in this activity.

Services in Connection with Export-Import Operations

Foreign trade activities, like those of international economic cooperation and according to the system specified by the current legislation, are effected through special kinds of economic contracts that in general we can call service contracts for export-import operations. In particular they are transport contracts (by rail, sea, highway, air and river), contracts to check the quality of the goods concluded between the Office for Control of Goods (OCM) and the foreign trade enterprises, etc. Although these contracts play a secondary role compared with

the contracts for export and import properly speaking, that is for purchases and sales, they have no less an effect upon the efficiency of export-import operations.

The studies made within the foreign trade system revealed some shortcomings in international shipping and dispatching and especially in harbor operations, the latter taking the form of demurrage charges for exceeding the time allowed ships for loading and unloading in Romanian ports. Those payments can come to a considerable amount, which is of course also affected by market conditions. But the main reasons are two typical phenomena, namely the effect of the technicalmaterial base of the harbors or the railroads that carry the freight to or from the harbors, and organizational defects caused either by the foreign trade enterprises because of errors in scheduling the ships' arrivals, or by railroads that do not dispatch or do not receive the freight cars on time, or by harbor enterprises failing for organizational reasons to meet the standards for loading and unloading, the responsibility for which cannot be directly assumed legally because of the lack of contractual arrangements with the dispatcher of the goods, namely the producer enterprise. Upon calling attention to these points, the meeting of the Political Executive Committee of the RCP Central Committee of 4 September 1985 (which discussed and approved the "Report on Improvement of Sea Transport Operations") requested urgent measures for radical improvement of the operations of this sector and optimal performance of its tasks. The measures to be taken must lead to better organization and management of the Romanian Sea Fleet and higher standards for operating ships in Romanian ports, and to reduction of the idle time of vessels in loading and unloading operations by performing them within time limits in keeping with the best world world results and by making full use of the national fleet's capacity. The prescribed measures are to permit shipping about 80 percent of the volume of foreign trade goods in seagoing traffic in Romanian bottoms by 1990, in accordance with the provisions of the Directives of the 13th Party Congress.

Romanian law provides four kinds of economic contracts for services in connection with export-import operations, namely the economic contract authorizing international shipments, the economic contract authorizing freighting, the economic contract authorizing quality control of the goods. In all four cases the contracting parties are the foreign trade enterprises and the specialized enterprises, namely ROMTRANS (in economic contracts authorizing international shipments), NAVLOMAR (in economic contracts authorizing freighting), the OCM or other specialized enterprises (in economic contracts authorizing quality control of the goods) and various enterprises for harbor operations (in economic contracts authorizing harbor services).

The economic contract authorizing international shipments concerns special services rendered by ROMTRANS, as authorized agent, in connection with international shipping and forewarding of exports and imports in rail, highway, air, postal, combined, containerized and through traffic, and with other activities pertaining to them (specialized consultations, insurance of goods in transit, payment of duties on the goods, etc.).

The economic contract authorizing freighting essentially concerns freighting the tonnage needed for shipping the exports and imports by sea. NAVLOMAR, as the

authorized agent, also renders other related services (specialized consultations, insurance of goods in transit, etc.).

"Fluent" Trade Flows

The analyses made indicate that failure to secure transport means, lack of operative berths or container platforms, or failure to secure ships are among the factors that interfere with fulfillment of the export plan, often second only to failure to procure the merchandise.

Transportation is a major component of the costs of production and sales, and accordingly a continuing effort is made to keep reducing those outlays through suitable organizational measures, careful planning of shipments, use of the most modern and efficient facilities (pallets, containers, portal-to-portal shipping), rationalization of routes, avoidance of waits and other considerations entering into the series of efforts to rationalize transportation, all of them alike being ways of cutting costs.

The shortage of rolling stock in some periods leads not only to nonfulfillment of the export plan but also to material losses in the form of major immobilizations of the funds represented by the goods produced and stored, the value of which cannot be collected by the producer.

Uniform monthly staging of the annual plan by merely dividing it into 12 months, a measure sometimes resorted to in drafting the transportation plan, is far from an ideal solution because of the seasonal fluctuation in the foreign demand as well as the difference in the demands upon the transport capacities in different periods. Therefore we must allow for the foreign market conditions in applying the various penalties for violating the obligations in domestic economic contracts (Of course we mean contracts contingent upon performance of exportimport operations). For example, reception of goods by partners is slow in July and August, the peak period for vacations.

Updated Standards for Shipping and Dispatching

Whereas river shipping in inland traffic (cabotage) as well as freight handling and reloading and other operations in Romanian ports are governed by a regulation on shipping via navigable Romanian waterways (approved by HCM No 1369 effective as of 1 january 1963) in addition to the old Regulations on Commercial Use of Ports (approved by HCM No 976 of 1954), for sea shipping in general we still find pertinent provisions only in the Romanian Trade Code enacted in 1887. The CFR Transport Regulations must also be revised on the basis of current trade practice and usages if they are to become a uniform and complete regulation of new transport means and methods such as containerized or combined shipping etc. We note that the current legislation also includes a definition of a container, because in case of litigation disputes like the one about the nature of a container, whether it is a commodity or a transport means, have to be settled empirically. In the case of combined containerized shipping serious difficulties also arise in determining the time any damage occurred and accordingly the responsible carrier.

Moreover for the same typical situation (occurrence of damage in transit) we find that the legislation on river shipping is not without gaps either. The

The current regulations stipulate that the way to establish any damage is to draw up a report with the captain of the barge. But what happens when the barges are just towed? It has been tried in practice to draw up such reports with the harbor masters of the ports of destination, but the arbitration courts have not recognized the legal validity of that measure for lack of any legal basis.

And finally there is one more problem in connection with freight handling in port, where accidents may occur. In such situations there are international limits to the stevedors' (dockhands') responsibility, and there are dockhands' "General Conditions" in every port. For example, Article 11 of the General Conditions of the Hamburg Stevedores Association (1979) specifies that "The maximum damages payable by a dockhand will not exceed 1 Deutschmark per kilogram or 500 Deutschmarks per packet. Responsibility for all cases regardless of cause will be limited to 20,000 Deutschmarks for the cargo and vessel together. If several parties are involved, the total amount of the damages will be limited to the above-mentioned sum for all plaintiffs." It should be noted that the same "General Conditions" specify a very short time limit (6 months) for any complaints lodged against the dockhands.

Although preferential use of Romanian transport means to ship explorts and imports is recommended, some foreign trade enterprises prefer to sell goods FOB, meaning a buyer has to provide sea transportation. To be sure CIF sales are usually more advantageous to exporters, provided that NAVROMUL charges competitive freight rates.

The greater contribution that international shipping can make to the effectiveness of Romanian foreign trade calls for enactment of a body of laws suited to the present state and developmental prospects of the transport means and the international trade exchanges, in correlation with the international standards in this field. It is also necessary to regularize the current and future provisions in a transportation code reflecting international practice and usages in the field and stating the methods of planning transportation more clearly and precisely, allowing for their future effects upon formation and execution of the economic contracts for services for export-import operations and taking account of the need for the most flexible and yet most exact correlation of the contracts for sales in international trade, the economic contracts for consignment and delivery, and the economic contracts for services. The rights and obligations of the parties to the contracts for transport services must be precisely defined as well as the resulting responsibility of each of the parties. The model contracts for this activity must be updated and supplemented with specification of the plan requirements, introduction of long-term contracts, revision of the customary terminology, adequate contractual arrangements for control of fulfillment of the assumed obligations, etc.

/31 Jan 86, pp 14-157

/Text/ In the current five-year plan Romanian industry's export offering will continue to show significant gains in both quantity and quality and in the way of preferential promotion, within a diversified structure, of the exports of the peak industrial sectors, namely machine building, synthesis chemistry, electronics, microelectronics etc. Varietal diversification and structural improvement of the offering must also be accompanied by diversification of the

marketing procedures and their better adjustment to the objective, and to that end the policy of complex exports must be promoted as a better way to enhance the effectiveness of Romania's foreign trade. Complex exports result not only in a better sale on the foreign market of the machines and equipment manufactured by the machine building industry but also in exports of engineering services, technology and Romanian expertise.

The keen competition in complex deliveries on the world market is indicative of all exporters' major interest in this kind of operation in their approach to the market because it is economically highly effective and also involves new structures with high performances. Under these circumstances the effort of the producer enterprises and centrals, the foreign trade enterprises and the competent organs to promote Romanian exports through contracts for complex deliveries and better organization in order to develop operations of this kind seems justified and urgent. Meanwhile the levers in the economic mechanism of foreign trade that can help to concentrate efforts on successful participation (bidding for example) in such operations must be determined and put to effective use.

Complex exports involve a great many related and complementary activities each of which corresponds to a traditional trade operation such as international sales, transfer of licenses, know-how, consulting and engineering, lending technical aid, performing construction-installation operations etc., activities that all together serve the single, definite purpose of performing a function. The characteristics that distinguish the individual operations for complex export deliveries call for adjustments and improvements in the Romanian foreign trade mechanism as contrasted with the simple buying and selling operations.

Some studies made in a number of units producing exports and foreign trade enterprises made it possible to formulate a series of proposed organizational-legal measures which we present below.

Complex Exports and Suppliers' Responsibilities

Complex export deliveries have been the subjects of a number of relatively recent regulatory acts such as Law No 1 of 1971, Law No 12 of 1980, Decree No 242 of 1974, Decrees Nos 137 and 139 of 1984, Law No 71 of 1969 and Law No 7 of 1977. These regulatory instruments concern the methods of implementing complex exports, especially in connection with the legal relationships of international trade. But there is room for improvement in the present regulatory provisions on this subject, as regards regulation of the internal relationships that are instituted between the domestic general supplier and his subsuppliers in the course of complex export deliveries.

Clearly the contractural terms that are set in these situations can take only the form of economic contracts for purchases and sales. But the introduction of special terms makes that form unsuitable for the contract that is concluded between the general domestic supplier and his subsupplier. According to the present regulatory provisions the parties concluding and executing the contracts for complex exports are the general foreign supplier (usually a foreign trade enterprise), the general domestic supplier (an industrial central or other economic unit as specified in Article 58 of Law No 71 of 1969), the subsupplier of equipment, machinery and materials, the general designer for research and design projects, and the general contractor for construction projects.

One of the first points indicated by the Romanian studies and analyses is the need of heightening the subsuppliers' responsibility for failure to honor their assumed contractual obligations. Disregard of contractual discipline by subsuppliers may have much more extensive effects upon the progress of complex delivery operations than in the case of the traditional operations. For example, failure of a subsupplier unit to deliver parts or subassemblies of relatively low value (and consequently not greatly affecting the respective enterprise's fulfillment of its plan tasks) may hold up an entire complex delivery operation. In such cases the general domestic supplier has to pay his foreign partner far greater penalties than he would collect from the delinquent subsupplier. Since the laws in force do not solve this problem, the specialists have formulated various opinions as to the extent of the liability of the subsupplier who has not met his obligations adequately, such as complete compensation for the damage done, division of the liability between the subsupplier and the general domestic supplier, and finally limitation of the subsupplier's liability to the penalties provided by Law No 71 of 1969.

By another alternative that differs legally from the first of the foregoing opinions but is basically the same economically, the subsupplier is held liable for the penalties provided by Law No 71 of 1969 and for additional damages only insofar as the damage done is not covered by the amount of those penalties. We also note the proposals made by the specialists in production to improve the present regulatory provisions by charging the supplier percentages of the shortfalls in the enterprises' finished products. As far as we are concerned, we feel it would be desirable to revise the present regulatory provisions by increasing the penalties in cases of this kind.

Furthermore organizational measures must be taken to expedite preparation and implementation of special integration programs, especially for series products and those of low value, as required by the party and state administrations. Cooperation between general suppliers and subsuppliers concerning these products is considered economically ineffective by both parties and it can cause difficulties in implementing complex exports. The functional importance of small components, parts or subassembles is sometimes overlooked, especially by subsuppliers, although the complex delivery cannot be made without them, nor can the disturbances caused by these deliveries be compensated for by the general domestic supplier in terms of value.

The problem of incentives, as well as that of increasing subsuppliers' liability, is of urgent importance. Indirect exports, which are included as a task in the subsuppliers' production plans, cannot be less important to them than the direct export tasks. The importance of an indirect export, say that of 100 copies of an electric engine delivered as part of some complex exports to the value of 1 million monetary units, is macroeconomic compared with the direct export of the same engines to the value of 100,000 monetary units. Accordingly the problem of penalties, which are a post-factum measure to remedy damage already done, appears secondary in comparison with that of securing the conclusion and exemplary execution of the complex delivery contracts. The fact that subsuppliers receive no advances or credits, as they do in the case of production for direct export, for production for delivery according to subsupply contracts is another point about incentives.

Simplified Execution As an Effective Incentive

Another series of problems is presented by the threefold settlement operation between (a) the foreign customer and the general foreign supplier (foreign trade enterprise), (b) the general foreign supplier and the general domestic supplier, and (c) the general domestic supplier and the subsupplier.

Two of these three settlement cycles are domestic. In addition to the man-hours spent on this duplication, which is a problem in itself, the fact is often over-looked that the general domestic suppliers are not organized to make those settlements and such employment of that personnel throughout an action is inefficient. Accordingly the suppliers agree to make out pro forma invoices to be sent directly to the foreign trade enterprises, although they would have no obligation to do so for a normal domestic contract for delivery. But it should be noted that in principle the subsupplier enterprises can refuse to make out invoices of this kind on the ground that they are not legally obligated to do so, and they sometimes do refuse, especially when they are not under the central or unit acting as general domestic supplier.

Particular questions also arise in connection with service in the course of complex deliveries. According to Decree No 117 of 1981 on Supply of Spare Parts and Organization of Service and Technical Aid Abroad for Exported Products, the ministries and other central organs with industrial centrals and enterprises producing exports under them are required to provide for production and delivery of spare parts and to organize service and technical aid abroad throughout the entire lifetimes of the exported machines, equipment, installations and other products. The exporting units can send personnel abroad to provide service, as they have a special foreign exchange fund allocated for the purpose, but subsuppliers do not qualify as exporters according to the subsupply contract and consequently do not have access to foreign exchange funds. Moreover the international standards for rendering service call for certain minimal volumes of goods delivered or services rendered, and the deliveries to the general domestic supplier do not always qualify.

Regarding the time limits on guarantees, the foreign contracts for complex deliveries can sometimes stipulate variable time limits, while the period is regulated for current domestic deliveries. Furthermore when we consider that according to Article 20 of Law No 71 of 1969 the guaranteed periods are to be set for all cooperating suppliers according to the contracts for cooperation that are concluded by the general domestic supplier with the specialized units, and that the time limits on the guarantee run from "the date the delivered item is turned over to the beneficiary," it actually follows that subsuppliers are obligated to set guaranteed periods that are usually longer than those specified in the ordinary delivery contracts. In view of the foregoing we feel that some solutions should be found that would compensate the subsuppliers for these disadvantages and encourage them participate in complex delivery operations for export.

Technical and Commercial Competitiveness of the Offering

In order to expedite foreign market prospecting and preparation of the offerings for bids, in addition to improving the technical-material inventory in order to make the technical offerings more attractive, it is necessary to advance some

personnel (a team) in these sectors who have specialized training, great competence and suitable technical and legal experience in addition to adequate knowledge of economics and world languages. The need of highly qualified personnel is also being felt in the other segments of the cycle, such as preparation of offerings, negotiation and execution.

If the offering possibilities are to be enhanced we must have access to the most extensive portfolio of licenses possible and especially to their prompt purchase on economically justified terms. The research and design institutes must keep working on their technologies in order to raise their technical standards and adjust them to the foreign customers' particular demands.

More effective complex deliveries heavily depend upon improved methods of calculating prices of deliveries of goods and services, including constructioninstallation projects. Anomalies sometimes occur in evaluation of the domestic costs for machines, installations, spare parts, overhead etc. The specialists in complex deliveries estimate that the proportion of the value of the designs and engineering incorporated in the Romanian enterprises offerings and contracts in the total cost of the exported installations is lower in comparison with the practice on the world market. It is also necessary to give special attention to the designs, engineering, licenses, know-how and technical documentation as items to be evaluated separately from other costs in the contract for complex deliveries. It is especially important to develop uniform systems for evaluating the costs so that they can be rapidly adjusted to particular parameters by means of computers, avoiding preparation of the preliminary offerings in too great detail, which is neither economic nor efficient and leads to delays in presenting the offerings. In general, it is found that the enterprises sometimes have difficulties in conforming to the foreign partners' time limits, especially in the case of bids. There are still reserves in the informationapproval-offering cycle that must be exploited, as well as rigidities whose elimination would make the system more flexible and its performance more efficient.

The Directives of the 13th RCP Congress conerning Romania's socioeconomic development in the 1986-1990 Five-Year Plan call for further expansion of the higher forms of international economic cooperation through joint construction and operation of production capacities, founding mixed companies to export products, and joint ventures on third markets, considerably enhancing the economic effectiveness of this activity.

Complex deliveries, as one of the chief forms taken by international economic cooperation, are directly or indirectly involved in the programs for these purposes, so that improvement of the economic-financial mechanism and of the legislation governing the conclusion and execution of complex delivery contracts will directly contribute to one of the priority aims of this year and of the entire Five-Year Plan.

5186 CSO: 2700/86 ECONOMY

EXAMPLE OF 'MILITARIZED REGIME OF WORK' DISCUSSED

Zagreb DANAS in Serbo-Croatian 29 Oct 85 pp 30-31

[Article by Miroslav Lazanski]

[Text] What is the meaning of the "Militarized Regime of Work" which has recently been introduced at the energy-producing enterprises? Our journalist is describing the experiences from a similar Romanian factory.

Romanian President Nicolae Ceausescu had dismissed several ministers because the country energy program was not successful and because of the serious errors in the Ministry of Electric Power Industry. Forced to resign were Nicolae Busui, former minister of electrical energy; Ion Avran, first deputy prime minister; and Marin Stefanace, minister of mining. At the same time, by presidential decree that was announced after the meeting of the Executive Committee of the RCP Central Committee, a state of emergency with a militarized regime of production and with military commanders was imposed at all electrical industry plants. Despite Romania's annual production of about 70 billion kilowatt hours of electricity, it still does not satisfy the needs of the industry which is constantly expanding. New mines are being opened, new coal-fired thermal electric power plants are being put into operation, and a certain amount of electricity is being imported from Albania and the The Romanians are also conducting a campaign for the building of wind and solar-generated power stations, and the first Romanian nuclear power plant, built with Canadian assistance, is supposed to begin to operate next year.

In order to ease the energy crisis, Romania needs to import about 3.5 million tons of crude oil from the Soviet Union which, together with the domestic production of an annual 11.6 million tons, still cannot satisfy all the needs (the Romanians are importing crude oil from other countries, as well). Because of all these reasons in the last several years the country has been carrying out a rigid program of energy saving and, according to the Romanian press, a "militarized regime of work" will soon come into effect at the energy producing enterprises.

What kind of discipline exists in the Romanian enterprises, how is the Party realizing the plans of the enterprises, and are there in peacetime certain elements of a military discipline in Romanian factories? During his stay in

Romania, the author of this article had the opportunity to familiarize himself with the life and the organization of the large IMUA factory (Intreprinderea de Masini Unelte si Agregate) in which 7,000 people are presently employed. At the entrance of the factory on Muncii Boulevard number 250, I was greeted by the president of the Workers Council and the secretary of the factory's party committee Niculescu Mihalache, who is at the same time commander of the Patriotic Guard of the IMUA factory and holds the rank of senior lieutenant in reserve; and by the chief of staff of the factory's Patriotic Guard, engineer Virgolici Oliviu (senior lieutenant in reserve); by the secretary of the committee of youth Stefan Grigore; by the commander of the civil defense Patru Constantin; by the president of the organization of women, engineer Georgiana Moraru (second lieutenant in reserve); by the chief of staff for the civil defense of the city of Bucharest Colonel Pop Alexandru; by a member of this staff Lieutenant Colonel Bratulescu Radu; as well as by Lieutenant Colonel Balanescu Constantin, the deputy chief of staff of the Third Sector of the Patriotic Guard in Bucharest, the district where the IMUA enterprise is located.

The factory started to produce heavy machinery and machine tools in 1976; most of the products were exported. IMUA is a member of the group of factories which produce machine tools (there are 17 enterprises in all of Romania) and the factory with its staff is typical of its kind. There are four main sections in the factory: machines, machines for the electric-power industry, the section for the production of gears and very heavy machines. The production range is wide, the precision in metal processing ranges to 0.2 micrones. The lathes which IMUA has been exporting to all continents weigh about a hundred tons and the production of the new generation of machines is computerized. Generally speaking, this factory, together with the Romanian airplane industry, currently represents the technological peak of this country.

The Workers Council is the collective body of self-management, its members being elected every year when the production results are calculated. The highest body of the factory is the Workers Assembly, which consists of the appointed representatives of the factory sections. It decides whether the president, his deputies and assistants will keep their posts, which depends upon the results of economic operation. The party secretary of the factory is at the same time president of the Workers Council, the factory director is its first vice president, and its other vice presidents are the secretary of the youth organization and the president of the organization of women. Workers Council and the Workers Assembly are in charge of deciding all company's questions and the rule is that all managers keep their positions as long as their performance is satisfactory and the factory is operating well. Rotation of the managerial positions is not compulsory. The Workers Council and the Workers Assembly also decide the fate of those who failed at their functions. The decisions of the Workers Council are obligatory for all factory employees, and on the occasion of voting no member of the Workers Council has right of veto and decisions are made by simple majority.

The military and semimilitary formations of the factory employees include the civil defense, a fire-fighting unit and the Patriotic Guard. The city of Bucharest has six defense sectors for the Patriotic Guard and each sector has its training and target practice ground. The units of the Patriotic Guard are otherwise organized according to the three principles: territorial, producing and voluntary. Territorial: formation and the structure of the units of the Patriotic Guard coincide with the administrative division of the territories and the city. Producing: this is the most common principle; the troops of the Patriotic Guard are being formed practically in all areas, institutions, enterprises, depending on the size and importance. Members of the units of the Patriotic Guard can be workers, peasants, intellectuals, men, women, and volunteers can be admitted, too.

Applications for admission are decided by the Party Committee of the appropriate institution, enterprise or commune. The Patriotic Guard at the IMUA factory is organized into infantry platoons, companies and battalions, light mortar companies and platoons, antiaircraft platoons and antiarmor platoons, transportation, medical, and material supply platoons. Besides these military tasks the Patriotic Guard of the factory is also responsible for maintaining the continuity of production, order, and discipline and for the immediate protection of the factory facilities.

The units of the Patriotic Guard rely on the material resources of the army, but they also independently purchase some military material. The factory already has fortified points of defense, the underground command center is located under the workshops and has direct telephone connection with President Ceausescu.

Every year, the command cadre of the units of the Patriotic Guard of the IMUA factory leaves for a 6-day military training and meeting and the program of military training and target practice given to the participants is very similar to that for the soldiers of the regular Romanian Army. After completing military service, all participants become members of the Patriotic Guard of the enterprises, and the Army uses them as its reserve. All managerial positions at the IMUA factory are filled by reserve officers of the Romanian Armed Forces, and during large maneuvers many members of the Patriotic Guard of the IMUA plant join regular Army units, but it is not detrimental to the production. For this is exactly the purpose of the maneuvers: to simulate a situation when the Army uses its reserve among the workers of the enterprises.

Weapons and the equipment for the participants of the Patriotic Guard are kept in separate storehouses at the factory. We had the chance to take a peek at these places, too, and to assure ourselves of its solid firepower: anti-aircraft artillery of 30 and 37 mm, antiarmor artillery of 57 mm, hand grenades, recoilless rifles, flame throwers, automatic firearms of the AK-47 system....

The impression which an outside observer gets after visiting the IMUA factory sections in Bucharest and talking to its workers is the following: This is a very modern enterprise with a strong party organization, an enterprise which has both the organs of self-management and the elements of military discipline.

12952/6662 CSO: 2800/38 **ECONOMY**

YUGOSLAVIA

BRIEFS

SFRY TRADE WITH HUNGARY--In 1985 the volume of trade and services with Hungary was valued at \$550 million, considerably less than the planned \$700 million. Trade last year was accomplished by problems, especially late contracting of mutual delivery of goods, problems relating to payments and agreement on prices. These problems appeared also in border trade with Hungary which is our largest partner in border trade after Italy and Austria; thus, only \$50 million worth of goods was traded instead of the planned \$90 million last year. However, in regard to services, the problem of the Yugoslav rail-roads' debts, which had burdened Yugoslav-Hungarian economic relations for the last few years, was resolved. According to the 1986 trade protocol, the volume of exchange is planned at \$850 million, with Yugoslav exports at \$375 million and Yugoslav imports at \$355 million. The value of services in both directions is planned at \$120 million. [Excerpt] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 31 Jan 86 p 1] /12947

SFRY TRADE WITH USSR, MONGOLIA--Last year Yugoslav-USSR trade amounted to \$6.312 billion, or 1.4 percent more than in 1984. This year the volume of trade should be \$6.5 billion, and as of 10 February 1986 about \$553 million had been carried out. But it is already clear that prices for energy raw materials will affect the course and structure of trade. These are very important, and the Yugoslav economy will need to seek ways with the Soviet partners of compensating for the differences through new and different deliveries [from the USSR]. One must keep in mind in this regard the desire of partners to deliver more machines and equipment. In regard to Mongolia, trade last year amounted to \$8.2 million (Yugoslav exports were \$5.4 million and imports \$2.8 million). In 1986 \$6.7 million worth of trade has been agreed upon, and for the 1986-1990 period, \$42 million, compared to the \$39 million for the previous 5-year period. [Excerpts] [Belgrade PRIVREDNI PREGLED in Serbo-Croatian 22-24 Feb 86 p 12] /12947

CSO: 2800/185

MILITARY POLAND

GENERAL STAFF MEETS ON MILITARY ACADEMY RECRUITMENT

Warsaw ZOLNIERZ WOLNOSCI in Polish 28 Jan 86 p 1

[Article by [jas]: "Military Academy Recruitment Affairs"]

[Text] On 27 January 1986, a session of the Central Coordinating Commission on Recruitment Affairs for Professional Military Academies met for the first time this year under the auspices of the General Staff of the Polish Army.

Representatives of the party Central Committee Department for Youth Affairs, the Ministry of Education, the Main Bureaux of the Socialist Youth Movement and Peasant Youth Union, the Main Headquarters of the Polish Scouts' Association, as well as the National Defense League and Polish Aeroclub were invited to participate in the commission's work.

Brigadier General Jan Wojtala, the deputy chief of the General Staff, was the commission's chairperson and directed the proceedings. Also present were the vice-chairperson of the commission, Brigadier General Stanislaw Wytyczak, and the deputy chief of the Main Political Bureau of the Polish Army, Professor Colonel Mieczyslaw Michalik.

It was affirmed during the session that the influx of candidates to military academies was facilitated by the types of climate which were developed among local political authorities, the state administration, and educators, as well as in youth organizations, plants, and schools by the Letter of the party Central Committee of 5 September 1984 on matters of ideological and educational work with pre-recruited and recruited young people, as well as by the decree of the chairperson of the Council of Ministers of the Polish People's Republic of 7 May 1984 which applies to these matters.

Military schooling, as with civilian schooling, is experiencing a rather distinctly universal reduction in the public's interest in higher education.

However, a decent number of candidates have been found. This is the result of the intensive ideological and educational, and informational-propagandistic efforts conducted among school- and recently graduated young people.

It is clear from the degree of differentiation in the recruitment of candidates to professional military academies in individual provinces that

the above-mentioned efforts are not being conducted everywhere with the same intensiveness and success. This means that there are still reserves to be tapped in the activities of provincial defense committees and provincial coordinating commissions.

It was emphasized during the session that there was a requirement to improve informational-propagandistic activity, increase its quality and influence by individualizing efforts with candidates, intensify the efforts of youth organizations, and provide the young with the opportunity offered by the military profession, an opportunity which is both publicly necessary and beneficial.

Referring to proposals and resolutions, Brigadier General Jan Wojtala stressed that the issue of recruiting candidates to military academies and schools is vitally important to the armed forces. Young people, entering the soldier's profession today, will shape the image of the army and the character of our socialist armed forces far into the 21st century. The general also talked about the most important tasks facing the commission in the near future.

12247/9435 CSO: 2600/247 MILITARY POLAND

SYMPOSIUM ON STRESS MANAGEMENT IN ARMED FORCES

Warsaw ZOLNIERZ WOLNOSCI in Polish 28 Jan 86 p 5

[Article by Major Cieslaw Warych: "Combatting Stress And Strengthening Soldierly Comradeship"]

[Text] Military service is a school of hard knocks. The young who serve have many new rigors and obligations. The change in environment, the need to adhere scrupulously to regulations and rules, the execution of difficult tasks under various conditions and in difficult environs, and the separation from loved ones can all lead to the emergence of stress. Soldiers, during their first months of service, are particularly susceptible to stress; they are especially susceptible from a psychological aspect as well.

Dealing with this stress, creating a friendly service atmosphere, strengthening soldierly comradeship, and forming proper interpersonal relations are the basic tasks facing lower-level commanders, political officers, and party and youth organizations. Results, so far, have been positive.

However, we have to deal in occasional instances with soldiers who cannot cope with personal or service-related problems. In such situations, the absence of a helping hand and the support of colleagues and superiors can result in discouragement, apathy, and the emergence of depression.

A scientific symposium, organized by the Political Bureau of the Silesian Military District, took place in Wroclaw to discuss these phenomena and to work out ways of dealing with them. Representatives from many organizations were invited to participate in the symposium: commanders, political officers, party and youth activists, psychologists, doctors, lawyers, officers from the Provincial Military Headquarters, court procurators, and lecturers from military academies and schools. Also present were representatives from the military districts and branches of the armed forces.

Colonel Hieronim Badyna, a representative from the Main Political Bureau of the Polish Army, also participated in the symposium which was directed by the chief of the Silesian Political Bureau of the military district, Bde Gen, Dr. Zdzislaw Rozbicki. In his opening remarks, Bde Gen, Dr. Zdzisław Rozbicki pointed to the major role played by commanders, collectives, soldier groups, and youth organizations in the process of helping soldiers adapt to the conditions of military service. The subunit commander, from the viewpoint of the unusually key role he plays, also has to be the friendly protector and teacher of the soldiers subordinate to him; he must also simultaneously create a climate which encourages activeness and a desire to lead in both service and work.

In order for commanders to deal with this task, they have to get to know thoroughly their subordinates, their interests and expectations, their needs, concerns, joys, and problems with which they themselves are unable to contend. The acquisition of this information is necessary in a soldier's first few days of military service. The commander needs to apply the correct educational methods in the area of basic training and facilitate the soldiers' adaptation in his subunits.

Speaking about the course of the adaptation process, the chief of the District Political Bureau made references to the kind of work with soldiers who experience difficulties in adapting to military service. This work includes personal concern, individual sponsorship, and friendly help. The general affirmed that the indifference of colleagues, neglect of soldiers' difficulties in their adaptation to service, and insensibility to their concerns and problems are the chief causes of stress.

Further along in the symposium, Colonel, Doctor Franciszek Futyma from the Higher Engineer Officers School explained the behavior of soldiers in difficult situations and the role of military instructors in the limitation and elimination of the effects of stress. Colonel, Doctor Edmund Krazynski, an officer from the Psychology Faculty of the Military Political Academy, delivered an interesting report on the theoretical problems of autoaggression. Lieutenant Colonel, Doctor Janusz Lachowicz from the Higher Mechanized Troop Officers School and Lieutenant Colonel Jerzy Gorzala from the Higher Engineer Officers School present to the symposium's participants many interesting observations on the causes of stress and depression, and on how to overcome them.

During the discussion, in which Colonel Stanislaw Torepko, Lieutenant Colonel, and Doctor of Medical Sciences Antoni Florkowski, Colonel Aleksander Mazurek, and Colonel Hieronim Badyna spoke, much attention was focused on the characterization of the role of commanders at all levels in the development of the proper military service atmosphere and correct inter-personal relations. The participants also discussed the tasks of the party and youth organization in recognizing the moods prevailing in the collectives and providing the necessary assistance to those soldiers who most need it.

The formation of inter-personal relations compatible to the basic rule that a "soldier is a soldier's best friend," the combination of requirements with a concern for subordinates, the efficient recognition and shaping of moods, considered response to requests made by soldiers, the strengthening of the role of party organizations and the Polish Socialist Youth Movement in the building of collectives and the creation of a proper service atmosphere,

the restoration to non-commissioned officers of basic military service of their role, and their execution of duty services in accordance with current regulations are all the basic trends of action emerging from the symposium. The rigorous implementation of these ideas will ensure not only the proper course of a soldier's adaptation process, but will also combat the emergence of stress and depression in service life.

12247/9435 CSO: 2600/247 **POLITICS**

GERMAN DEMOCRATIC REPUBLIC

NEW PEACE, HUMAN RIGHTS GROUP REPORTED FORMED

Stockholm DAGENS NYHETER in Swedish 22 Feb 86 p 15

[Article by Disa Hastad datelined East Berlin: "New Peace Group Outside the Party"]

[Text] A new unofficial peace group which has human rights on its program as well has recently been founded in the GDR. The group is the first of its kind in Eastern Europe.

In the past such groups have generally separated peace and human rights.

In a communication distributed this week in East Berlin the group's spokesmen wrote:

"The aim of peace work cannot be separated from basic democratic rights and freedoms. The arms race is being conducted over people's heads and peace movement activists are persecuted and partly regarded as criminals. In this regard 'Western democracies' are no better than our own governments."

Since 1983-84 several members of the unofficial peace movement have been taken to court and buttons with the slogan "Swords into ploughshares" have begun to be regarded with disapproval. Accordingly the peace movement has operated quietly in recent years.

Churches are still centers for the movement, with more or less official encouragement. Next to the churches there is a number of small, autonomous groups devoting themselves to intensive and thematic studies of peace questions.

Emigrated

Nevertheless the movement has been decimated. Many of the old activists have emigrated to the West or have been ransomed by the Federal Republic after having served a prison sentence.

"But many new members are now coming to us," Ralf Hirsch, one of the new group's spokesmen, told DAGENS NYHETER.

The new group, which has contacts in three cities and counts about a hundred faithful, will work openly through letters (but not through demonstrations) and has three spokesmen who are changed each year. The three current spokesmen, Ralf Hirsch, Wolfgang Templin and Peter Grimm, all in Berlin, have worked in the peace movement for a long time.

In September they submitted a letter signed by approximately 20 people to the government of the GDR and demanded the lifting of a ban on travel which affected peace activists. Indeed citizens of the GDR can travel freely and when they want to Poland and Czechoslovakia and to Hungary as well if they obtain a Hungarian visa.

But many who traveled discovered at the border that they were clearly on a black list when they were stopped by GDR border guards. In particular it is believed that the authorities are afraid of unofficial contacts between Solidarity and the Czech Charter 77 and the German activists.

No Certificate

In a letter to last summer's Moscow youth festival, the group pointed out that restrictions within the GDR (passports are required for trips to the Soviet Union) prevented them from attending the festival when they wanted to. In their letter they stated their opinion that youth can develop only if they live with freedom of speech, freedom of information, freedom to live where one wishes, freedom of assembly, the right to equal opportunity in education and the right to choose the way one thinks.

In recent years the authorities have not arrested the peace activists, but those who refuse to participate in shooting practice receive no certificate showing that they have received an education. There is no overt ban on employment, but the activists have observed that they have few opportunities to work for the government.

There exists a large and very extensive official peace movement in the GDR and peace is the first item at the party congress in April. The movement is also dear to the heart of party chief Erich Honecker.

Public figures consulted by DAGENS NYHETER are of the opinion that the unofficial peace groups have now turned to working publicly or within the church.

"And we have nothing against the church. We are only against those people who use the peace movement as a mask for anti-state activity," a person highly placed within the party apparatus told DAGENS NYHETER.

12789/12795 CSO: 3650/144 POLITICS

GERMAN DEMOCRATIC REPUBLIC

KESSLER SPEECH REVIEWS ARMY HISTORY, GOALS

AU260545 East Berlin NEUES DEUTSCHLAND in German 22-23 Feb 86 pp 3-4

[Speech by Army General Heinz Kessler, Minister for National Defense, delivered at the NVA 30th anniversary celebration in East Berlin on 21 February 1986: "Three Decades of the NVA Reflect the Unity of the People, Party and Army"]

[Text] Dear comrades, esteemed guests:

On 1 March 1986 the soldiers of the GDR together with our country's citizens, together with their brother-in-arms of the fraternal socialist armies united in the Warsaw Pact, celebrate the 30th anniversary of the National People's Army [NVA].

Three decades of the GDR's NVA--that is 30 years of action for peace, 30 years of protecting socialism in the heart of Europe.

Three decades of the NVA--that is 30 years of firm friendship and comradeship-in-arms with the Soviet Army and the other fraternal armies.

Three decades of the NVA--that is 30 years of unbreakable unity of people, party, and army on the socialist German state.

Day of Honor for All Who Have Had an Influence on the NVA's Development

In the same say as our army has developed and strengthened in the vital interest of our people and at the side of our allies, we understand and experience this anniversary also as a day of honor for all those who have had an influence on the development of our armed forces through their high personal commitment, the work of their hands and minds, their farsighted orientation, and their continuous care.

Dear comrades and friends, esteemed guests: Only a few weeks more—than here in this festive site, in our palace of the republic, the delegates of the 11th SED Party Congress will meet in order to determine, in line with our father—land's socialist peace prospects, the tasks of the next part of the way that is facing us. As everywhere else in our country, in barracks and on training grounds, at airports, on bases, in trenches, and on dreadnoughts, remarkable efforts have been performed for weeks and months. Under the slogan "Soldier's Deed 11th Party Congress!" The army members and civilian employees are making peace more secure.

Over the past few weeks we saw at the delegates conferences of the NVA party organizations the extent of the technical knowledge and revolutionary optimism with which our comrades took the floor in order to pave the way for even higher performances and greater combat readiness with their proposals, critical suggestions, and good ideas.

Founding of the SED--Procondition for Solving the Question of Power and of Armed Forces in the Interest of the Workers Class

And it is precisely this forward-pushing elan that is the spirit in which we celebrate the 30th anniversary of the NVA during these days. We thus heed a work of the great German workers leader Ernst Thaelmann, whose 100th birthday we will commemorate this year: "For us communists," he wrote, "anniversaries are not empty memorial days but directives for the class struggle, guidelines for action."

This is also the attitude with which we look back on our history—the history of our people, our battle-tested Marxist-Leninist Party, and our armed forces; and it is not by chance that we look farther back than 1 March 1956, since the successful development of our armed forces over these 3 decades under the tested leadership of our party is rooted to an essential degree in that important historic event which will have its 40th anniversary in April—the founding of the SEDGF. The uniting of the two German workers parties on a revolutionary basis, which took place on 2 April 1946 in Berlin, the development of the SED to a Marxist-Leninist militant party was one of the elemental preconditions of answering and solving the question of power and later that of armed forces in the east of Germany in the interest of the workers class and the working people.

"We know," Comrade Wilhelm Pieck said at that time, "that the workers class will be the power to solve all tasks only if it has a united, determined, and consistent Marxist leadership."

This is a truth which has proved itself again and again since then everywhere in our society and thus also in our armed forces and which, in the future too, will remain the essential guarantee for each further step forward—toward peace and socialism, [words indistinct].

Dear comrades: When the GDR People's Chamber passed the law on establishing the NVA and the Ministry of National Defense on 18 January 1956, our worker-peasant state had already obtained its firm place. During the decade since the liberation of the German people from fascist barbarism and since the founding of the SED, imperialism and militarism had been rooted out of our territory.

The decision of our working people for progress, democracy and socialism, for a social system in which there are no monopolistic lords exploiting and oppressing the working people and no one strives for domination over other peoples and territories, had long been made at that time. Never again was war to emanate from German soil. We wanted to prove to the peoples, the appeal of the SED Party Executive Committee of 1 October 1949 stated, "That we Germans want to be the friends of all peace-loving peoples and men and never again their enemies."

And only a few days later, after Wilhelm Pieck was elected president of the GDR, Erich Honecker, chairman of the FDJ, at the until then most important post-war rally, vowed on behalf of the young generation, "to guard and protect" the first state of the people and peace on German soil, "this, our house, against the attacks of the warmongers."

Since 1917 the party of Karl Liebknecht and Ernst Thaelmann had never left any doubts that the achievements of the liberated workers and peasants had to be defended when they were in danger and that imperialism and militarism had to be held in check. Remembering the experiences of the Soviet power, of the German and international workers movement, the SED consistently advocated the Marxist-Leninist position also concerning questions of armed defense.

War Is No Law of Nature

To the same degree as the imperialist threat to "our house" mounted, the party explained the necessity of armed protection of the worker- peasant power and told the masses that there are differences between gun and gun, that war is no law of nature, and that peace is not a gift, as we FDJ members sang at the time.

The party not only warned against remilitarization in the FRG, the creation of the aggressive NATO bloc, and the integration of the West German military potential into this pact, but also, as a consequence of this dangerous threat, developed the first protection and security organs, made young volunteers from the ranks of the workers class and the other working people capable of learning the profession of arms and leading armed forces—from the first units of the People's Police to the Alert units of the Garrisoned People's Police.

And when, 30 years ago, we were faced with the task to set up our own regular army, combat-ready forces, and units of ground, air, and navy forces, this necessity was understood by our country's working people. The party had carried the thought and the will to protect and defend the socialist fatherland into the workers class, indeed into all classes and strata of our people. This fact was convincingly shown by the workers militias and the Society for Sport and Technology.

The foundations of our socialist house, in which we wanted to live and which had to be guarded, were laid and firmly embeded. At the same time, however, we were still right in the middle of the process of socialist construction, of restructuring production conditions, and of creating the material base of the new society. Much of that for which the best sons of the German people had for decades been fighting, suffering, and often giving their lives had become reality. But much was still in books, waiting on drawing boards for realization, only lived in our minds.

Thousands and thousands of young people, who took up arms in the spring and summer 1956 and took the oath of enlistment, did this with the firm determination to protect the achievements against all enemies of the working people and their rule, against all attacks on socialism. But they also took up arms convinced that our socialist cause is just and will be victorious, knowing that this great prospect can only be realized in peace, that socialist construction is always socialist work for peace because socialism needs peace in the same way as a plants needs light.

Educated in the Spirit of Internationalism

This supreme principle of our state doctrine—war must never again emanate from German soil—also determined the founding and development of the NVA, and is and remains the central and pivotal point of all our efforts in striving for high combat readiness and for reliable military protection of socialism and peace in Europe.

When substantiating the law on founding the NVA, Comrade Will Stoph, member of the SED Central Committee Politburo and first GDR minister of national defense, stated on 18 January 1956 before the People's Chamber: "In our country, in which the worker-peasant power represents the interests of the working people and of preserving peace, all military measures can only serve the safeguarding of peace and security." He thus referred to Wilhelm Pieck's programmatic statements at the Second SED Party Congress.

There the president of the first German worker-peasant state had outlined the shape of the future army, whose members are educated in the spirit of internationalism, in the spirit of respect for other peoples, in the spirit of love for the workers of all countries, in the spirit of safeguarding and consolidating peace between the peoples.

FDJ Took Over Patronage of Armed Organs

In this spirit and according to these guidelines the army of the German worker-peasant state was founded, structured, and led and has been recruited, trained, and educated—as an army of the people. It is therefore only natural that from the very beginning our army has been enjoying the trust and care of the working people, of all classes and strata of our socialist society.

This was the case in 1956, when the representatives of all democratic parties, members of all social strata and professions, atheists, and Christians supported the establishment of the NVA. The FDJ, which had taken over patronage of the armed organs in 1952, declared its willingness to accept the advanced military science and arms technology in order to protect what the working people had achieved in hard work.

At the historic People's Chamber meeting of 18 January 1956 the FDGB spokesman said: "The worker-peasant army defends our state-owned enterprises, which were laboriously reconstructed by the workers after 1945 and today belong to the people. It defends the soil which was taken away from the junkers; it defends the right of the working people to active participation in the management and planning of production and the state and the right of the workers' children to be able to study; it defends social security and our holiday homes, the childrens' holiday camps, and our great cultural and sports facilities; it defends the trade unions, democratic rights, and the political liberties of the working people."

And this has remained so, dear comrades and friends. Our NVA has been able to develop in a positive way because thousands of threads connect it with all parts of our society, because its mission to protect peace and socialism

corresponds with our state's policy and our people's vital interests, and because every day and every hour it received powerful material and spiritual stimuli, strength, and confidence from the people.

Many pages in the book of honor of our armed forces' history would have to be filled if one wants to describe everything with which they have proved that they are the flesh and blood of the working people.

Antifascist Fighters Were Entrusted With Establishing the NVA

The party entrusted the establishments and leadership of the NVA to sons of the German people who had proved themselves at the various fronts of antifascist resistance, who had once worn the rags of fascist concentration camps or prisons, the uniform of the Spanish People's Army or the Red Army, and who were now awarded general's shoulder straps of the NVA or who led our first units and military forces as commanders and political workers. Many of those tested antifascists have left the ranks of the army because of age; to some of the comrades we already had to pay our last respects. But their attitude and their example are still alive in the military forces and units which bear their names and in today's young army members.

Younger comrades, the FDJ members of the fifties and sixties, have taken the place of these general and officers. Indeed, there are already commanders, chiefs of staff, political workers, and graduates of military academies who were only born in 1956!

Today, as in 1956, the corps of our leading cadre is homogenous in its social composition and politically and morally firmly linked with the workers class.

Today more than 80 percent of the officers, more than 90 percent of the officer candidates and professional noncommissioned officers are sons of workers or working cooperative peasants. The great majority of the officers, too, were themselves workers in production before they enlisted in the army.

Thousands of army members are deputies or honorary committee members in the people's representative bodies, members of parents' councils, or of National Front Committees.

Partnership and patronage relations between the army units, enterprises, and socialist brigades in industry and agriculture, between the military educational institutions and universities, between our army and our youth association are very close.

Innumerable are the activities particularly in the reservists' collectives, in the Society for Sport and Technology, and in the FDJ for premilitary training and socialist defense education, for preparing for military service and for the military professions, or for preserving the military capabilities of the reservists.

We thank the working people of the GDR and their youth from the bottom of our hearts for this great support in doing our military duty.

We thank the workers in town and countryside, the teachers, scientists, and cultural workers, the craftsmen, and small businessmen. We thank our country's communists and the members of the parties united in the democratic bloc, of the FDGB, the FDJ, and all other mass organizations for everything that they have done for our army and our army members.

Friendly Advice and Fraternal Help From the Soviet Army

Dear comrades, esteemed guests: One of the undying historic achievements of the SED and its Central Committee is that long before the establishment of the NVA it led our country's working people, and particularly the youth, on the way of friendship with the Soviet people and all fraternal socialist countries.

"It was in line with the international character of the workers class and the progress in shaping the community of socialist states," Comrade Erich Honecker, general secretary of the SED Central Committee, wrote, "that from the very start we considered military protection of socialism in the GDR as a collective, internationalist task. It was possible to fulfill this task only in very close militant alliance with the USSR and its military power and with the other fraternal socialist states and their armies."

In this coalition for defending peace and the future of the peoples the NVA has stood every test in the international class struggle and has always been able to meet the requirements of the accelerating processes in military affairs.

It was in particular the Soviet Army which gave our army what it urgently needed in the military and military-technological field—the material-technical basis of weapons and combat technology and the theoretical equipment, friendly advice, and fraternal aid.

Many of our generals and officers studied at Soviet military academies, became military experts of the victorious workers class, officers of the people in Lenin's country.

For all this help and for the decades of comradely cooperation for the firm comradeship—in arms, we today express our cordial thanks to the comrades of the glorious Soviet Army and Navy. Our particular gratitude goes to the members of the group of Soviet forces in Germany and its commander in chief, the Soviet advisors and military experts, the commander in chief of the Joint Forces and his representative at the NVA, the USSR minister of defense and his deputies!

Communists Have Always Been in the Lead

Dear comrades, esteemed guests: the path which the army of the socialist German state has been following for 3 decades and at which we look with justified pride today was shown by the Marxist-Leninist Party, our SED. And the communists have always been in the lead, on every part of the way, at every ascent and obstacle.

It is mainly because our party, the Central Committeee, and its Politburo has always accorded the necessary importance to the defense of the socialist

achievements that the NVA and the entire national defense of the GDR has been able to develop in such a consistent and successful way and to take over more and more responsible and complicated tasks in protecting socialism in the heart of Europe.

The party leadership demanded much of us—in the development of strong and combat—ready military forces and units, in increasing the level of troop leader—ship, of political and combat training, and ideological work with the army members. It challenged us, also concerning aid for the young nation—states, removing the results of natural disasters, or solving top—priority economic tasks.

But at the same time the party taught us to fulfill the demands, and it dealt with the conditions under which they had to be fulfilled.

In all important stages of our army's development the Politburo and the general secretary personally deliberated with our commanders, [words indistinct], party and youth functionaries on forthcoming tasks and possible ways to fulfill them. And again and again we thus gained rich experiences in life and combat as well as farsighted guidelines and very concrete, practical suggestions.

The most important thing the party taught us then and has taught us with great emphasis since the Eighth Party Congress is care for the people on whom the combat strength and combat readiness of our armed forces depends, care for the capability, the materials and spiritual welfare of our soldiers, noncommissioned officers, officer candidates, and officers, our civilian employees, and reservists. This means care for their best possible training and education as fighters as well as for their service and living conditions.

Thirty years of NVA have proved: the leadership of the party has been and is the main source of all our successes. The party leads through the order of the commander, through the convincing argument of the political workers, through the trustful advice of the party secretary, and through comradely dicussion in the collective. The party leads in the precise fulfillment of the tasks of combat services and the ready-alert system, in the struggle for the best competition results; it leads through the example set by the communists in political and military training, through their example everywhere in life.

Therefore, the heartfelt thanks of all members and reservists of the NVA today go to the party of the workers class, our SED and its Central Committee led by our general secretary, our friend and fellow fighter, Comrade Erich Honecker!

Dear comrades and friends: What our army is, whom it serves, whose friend and whose enemy it is, is shown thousandfold and very clear in its [word indistinct], in the political attitude, in the life of its leading cadre.

Contribution to 40 Years of Peace in Europe

Our young soldiers and seamen have been and are led, educated, and trained by sons of workers and peasants, by men from the working people, by loyal friends of the Soviet Union, by communists and internationalists.

Proof of the nature of the socialist German state's army are such men as the 52-year-old miner's son Kurt Kroh, who has experienced the 3 decades of the NVA from the beginning, who, as a seaman, qualified himself as staff officer candidate by attending several schools and courses and has been serving as petty officer first class on a coastal defense ship for many years.

Proof of our army's nature is the worker's son Bernhard Klaus, who was born in 1956, graduated from the Air Force Air Defense Officers Academy in 1978 and became an operational officer, who attended the Soviet "Yuriy Gagarin" Air Force Academy from 1981 to 1985, and who today is captain and chief of staff of a fighter wing.

Proof of our army's nature is the 48-year-old Colonel Juergen Schlase, a trained milling worker, who in 1955 followed the party's call to the armed organs, became an officer in 1958, later attended the military academy of the Soviet Army's artillery, and has been leading a missile brigade of the ground forces since 1980.

Proof of our army's nature is former shoemaker and tractor driver and today 52-year-old Major General Hans Unterdoerfel, who in 1954 became an officer and platoon leader of the Garrisoned People's Police, began his career in the NVA as a company commander, in 1962 graduated from the Academy for Soviet Tank Troops and in 1978 from the Academy of the General Staff of the USSR Armed Forces, and who has commanded a motorized rifle division for 4 years.

All these comrades and their fellow strugglers, their superiors and subordinates, the active and reserve members of the NVA must be given credit for the fact that our armed forces have at any time honorably discharged their peace mission. Side by side with the Soviet comrades and with all other socialist comrades in arms, they have been able to effectively help peace to prevail in Europe for more than 40 years.

While the past few decades have ever so often been linked with hardships and stress, with personal privations and many denials for the individual, what does all this count compared with peaceful life in our country in which everybody can feel secure and safe!

This is a country which not only ranks among the first 10 industrial nations of the world, but where the working people's accomplishments also benefit them and their families, a country which is distinguished by social security and social advancement, by a meaningful present and even more beautiful propsects for the entire people.

We are defending a social system without people who are jobless or homeless, without company bankruptcies and the closing down of enterprises, without cuts in social benefits and exorbitant rents!

We are defending a country in which 2.4 million apartments were either built from scratch or modernized since the Eighth Party Congress alone and in which more than 1 million such apartments will be commissioned in the coming 5 years. We are defending a state from whose budget year after year billions of marks are spent on slots in nurseries and kindergartens, class rooms and school gynmasiums, on the health service, on recreation and education for the working people and their families!

What do the gruelling night in the ready alert system on a coastal protection ship in a stormy sea, on a patrol tower in the icy cold or in a radar station in stuffy heat, in the cockpit of a supersonic fighter plane or between the rumbling steel walls of a tank count compared with the carefree laughter of our children, the happiness of our mothers, the labor of our working people in towns and villages which is yielding rich fruit!

Guard Mankind from the Scourge of War

Regardless of what combat sector the NVA members and civilian employees might be employed in, all their thoughts and actions are determined by one great goal to do all they can to guard mankind from the scourge of a devastating war.

I well know that I am expressing the heartfelt thoughts of all NVA members when I reaffirm, on the 30th anniversary, the irrevocable will to defend peace as the primary human right, a will which our Army General Heinz Hoffmann expressed at the 10th SED Congress, stating that "because we want our daughters and sons, our grandchildren and great grandchildren to grow up in good health, because we want to enable them to work for human progress and for their happiness, we do not spare ourselves when the preservation of peace, the supreme asset of the working man, is at stake."

Therefore, dear comrades and friends, we will leave nothing undone to always maintain the combat readiness of our armed forces at the required level. We are mounting guard over the protection of the creative work of our people in further fashioning the developed socialist society, mounting guard over the GDR as the bulwark of peace in the heart of Europe. It is for this that we are standing up with our honor as socialist soldiers and with our lives.

/12232 CSO: 2300/235 POLITICS

POREBSKI EXPLAINS NEW SCIENCE, TECHNOLOGY COUNCIL

AU131144 Warsaw RZCZPOSPOLITA in Polish 7 Feb 86 p 5

[Interview given by Tadeusz Porebski, PZPR Politburo member and Central Committee secretary, to J. Korzeniowska-Krasowska: Date and place not given]

[Excerpts] The inaugural meeting of the Council for the Advancement and Application of Science and Technology took place in January this year. The council was formed on the initiative of the PZPR Central Committee Politburo for the purpose of stepping up party activities aimed at raising scientific efficiency and accelerating technological progress. We asked the chairman of the council, Tadeusz Porebski, PZPR Politburo member and Central Committee secretary, to discuss this subject with us.

[Korzeniowska-Krasowska] The decision to form the council shows that scientific and technological progress is accorded a very important place in our country at the present time. Nevertheless, one is inclined to wonder whether the formation of the council means that we are dealing with a case of responsibilities and work [being] duplicated, bearing in mind the existence of the Committee for Science and Technological Progress attached to the Council of Ministers and the Office for the Advancement and Application of Science and Technology. Is this so?

[Porebsci] We were aware of this aspect when we set up the council and so we planned the work of the council in a way that would prevent such a situation from arising. The composition of the membership of our council is different from that of the committee. We worked on the assumption that it ought to be made up of different people. Thought on the subject of scientific and technological progress should be enriched by the fact that a broader circle of qualified people will be involved in conducting evaluations and developing ideas. The first meeting of the council was rather unusual, discussion was of general kind, and flowed from the question put before the members of the council, which was how do the members of the council see the council's work bearing in mind that committee is attached to the party Central Committee. It gives me great satisfaction to be able to say that the discussion was very fruitful and produced very many interesting ideas. Many ideas of activity were pointed out which confirm that there is not the slightest danger that the council will duplicate the work of the Committee for Science and Technological Progress or the Office for the Advancement and Application of Science and Technology.

The council is not a large one, it has 20 members and will stay that size, although that does not mean that in conducting our work we will not ask for the assistance of other people who are concerned with issues pertaining to scientific and technological progress.

[Korzeniowska-Krasowska] A large part of the resolution adopted at the Ninth Extraordinary PZPR Congress was devoted to science and technological progress and the strategic directions of activity were set out. What progress is being made in the realization of the decisions contained in the resolution? This is another area of state policy which will be assessed during the 10th Party Congress.

[Porebski] I would like to view the matter in broader terms. The subject of scientific and technological progress has been raised and discussed at many earlier party congresses. If one wishes to focus attention on recent years one has to say that our economic difficulties did not permit us to allocate adequate resources for scientific and technological progress which meant that we could not put our ideas on scientific and technological progress in the long-term into practice. The mass of problems we faced, especially economic ones, had to be given priority and there were, therefore, more immediate tasks which had to be formulated and solved. As the economic situation has become more stable during 1984-85, there is a real possibility of undertaking activities in the field of scientific and technological progress, particularly in the formulation of ideas about its functioning.

I personally believe that the decisions adopted at the Ninth Extraordinary Party Congress concerning scientific and technological progress have been realized in their essentials, although with a certain delay; there was no possibility of avoiding that. Undoubtedly, among the most important issues examined at the 10th PZPR Congress will be that of scientific and technological progress and it will occupy, as one would expect, an important place in such congress documents as the congress resolution and the party program.

/12232

CSO: 2600/303

POLITICS POLAND

NEW APPOINTMENTS FROM NAVAL MILITARY COUNCIL

AU260904 Warsaw ZOLNIERZ WOLNOSCI in Polish 14 Feb 86 p 1

[Lieutenant Commander Jozef Wasilewski report: "The PPR Naval Military Council in Session"]

[Text] The 13 February session of the Naval Military Council was attended by Army General Florian Siwinki, PZPR Politburo candidate member and minister of national defense and by General of Division Tadeusz Szacilo, head of the Main Political Administration of the Polish Armed Forces.

On behalf of Army General Wojciech Jaruzelski, chairman of the National Defense Committee, and on his own behalf, F. Siwicki offered cordial thanks to Admiral Ludwik Janczyszyn for his long, highly effective, and dedicated service as commander in chief of the Polish Navy. L. Janczyszyn has been transferred to another state post, and Vice Admiral Piotr Kolodziejczyk has been appointed commander in chief of the navy.

The Naval Military Council was also informed that Vice Admiral Ludwik Dutkowski, deputy commander of the Polish Navy for political affairs, had been appointed to the post of first deputy head of the Main Political Administration of the Polish Armed Forces and that Commander Waldemar Raczkowski had been appointed head of the Main Political Administration of the navy.

To end the session, F. Siwicki discussed the basic training and educational tasks of the navy against the background of the country's internal and international situation.

/12232

GDANSK AKTIVS VIEW 'SOCIAL WRONGDOING'

AU190936 Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 pp 1, 2

[Excerpts] PAP--Gdansk voivodship aktive held in Gdansk a session on how to combat all wrongdoing that violates norms of people-to-people relations, how to deal with social misconduct, and what to do to improve people's moral health.

The session was attended by representatives of the party, the allied political parties, and social organizations as well as by Stanislaw Bejger, PZPR Politburo candidate member and first secretary of the Gdansk Committee; by Central Committee Secretary Jozef Baryla; and by General Prosecutor Jozef Zyta.

Opening the session, S. Bejger said that the issues of the session are the central problems and of all people as attested to by the Sejm election campaign and by the meetings preceding the 10th Party Congress. What we should do, however, he said, is to take resolute action and, especially, to launch a determined struggle against the features and sources of social ills.

Mieczyslaw Chabowski, secretary of the Gdansk Committee, read a report on dangers to society. Those taking the floor analyzed at length features such as crime, alcoholism, drug addiction, parasitism, waste, and moral corruption of young people.

Speaking at the conclusion of the session, J. Baryla said that the party and state authorities continued to give priority to combating social wrongdoing and promoting moral health for two main reasons:

- --First, this is what the people want, and people's wishes should be respected;
- --Second, we are entering a new stage of normalization--a stage of disappearing tensions and increasing national agreement, which is necessary if we are to effectively combat social ills. Actually, it can be said that economic improvements depend to a great extent on improvements in people's moral health.

Activities to this end, J. Baryla said, call for unifying various large focus of society, which is a task for men and women of action, goodwill, and care for the community. As for administrative and legal action, we can already see obvious militancy and better results in this regard. On the other hand, we need to boost our efforts at the broad social and educational front. He stressed

that what is needed is not a single campaign, but continuous long-term activities, which actually began many years ago. However, this continuation has reached a new stage, one that seeks to find better solutions on the basis of new experience and changing needs.

The session adopted a resolution and addressed an appeal to Gdansk people.

/12232 CSO: 2600/303

BARYLA AT ELTRA WORKS IN BYDGOSZCZ

LD181000 Bydgoszcz Domestic Service in Polish 1605 GMT 17 Feb 86

[Unidentified correspondent's report]

[Excerpts] At 3:30 pm, in the administration building of the Eltra (radio and TV equipment) Works in Bydogoszcz, a meeting began between the works aktiv and Jozef Baryla, secretary of the party Central Committee and Sejm deputy. The guests of the Eltra workforce also include General of Division Czubinski, deputy internal affairs minister; Zenon Zmudzinski, first secretary of the party Voivodship Committee in Bydogoszcz; and (Ryszard Bandoszek), first secretary of the party Municipal Committee.

The chairman of the meeting stressed in his introduction that the phenomena of social pathology, of which one source was the relaxation of social and professional discipline at the beginning of the eighties, also concern the Eltra workforce. Last year a record number of dishonest employees were recorded here, people who took from the enterprise sought-after stereo radio equipment. It was also last year that a growth was observed in the numbers of those who committed misdemeanors against the law on upbringing in sobriety. Countering these trends and developing a social climate of condemnation for manifestations of hooliganism, vandalism, drunkenness and dishonesty constitute a program for the moral renewal of the community, which we must work out together, and put into practice—said secretary of the Central Committee Jozef Baryla.

Just now, as I dispatch this report, the discussion is still in progress. Afterwards Jozef Baryla, secretary of the party Central Committee, will take part in a meeting of the Eltra departmental party organization at the Mechanical Department which he has applied to join.

Also today in Bydgoszcz a meeting took place between deputy internal affairs minister, Lieutenant General Lucjan Czubinski, and representatives of the civic militia, the Prosecutor's Office, the courts, the penal establishments, as well as members of the misdemeanor courts. At the meeting the functioning of the laws on the accelerated mode of penal proceedings was discussed. It was also stated that problems of broadly conceived legal culture ought to become a subject of discussion in various social milieux.

/12232

POLITICS POLAND

FOREIGN MINISTER ADDRESSES 'CHILDREN'S FRIENDS' GROUP

AU260900 Warsaw TRYBUNA LUDU in Polish 18 Feb 86 p 2

[Excerpts] Marian Orzechowski, foreign minister and chairman of the Polish Committee of the International Peace Year, received a group of participants in the International Meeting of Children's Friends on 17 February. The meeting, which opens on 18 February in Warsaw, is a function of the International Peace Year proclaimed by the United Nations.

M. Orzechowski drew attention to the dangers to international peace and security and to the need for mobilizing world public opinion to combat these dangers. Recalling the purpose of the meeting of children's friends, he said that it was necessary to make nations realize what disasters wars bring on children and to intensify efforts to preserve peace for the sake of children and their right to live in peace.

Proclamation of 1986 as the international peace year, M. Orzechowski continued, eloquently attests to the universal conviction that effectively combating dangers to peace in the nuclear era calls for consistent and persevering activities by the states and governments and for efforts to jolt world public opinion, including scientific communities, creators of culture and art, as well as social, trade union, religious, and youth organizations and movements.

It is needless, M. Orzechowski stressed, to explain why you came to Warsaw. You have come here to ensure for children a secure future, the most extensive care, education, a healthy and full development, and which is most important, a life in peace. Your motives are close and clear to us. After all, children have always been exposed to the direct dangers during wars and natural disasters. Children's lives, health, and happiness must be regarded as the supreme good of every society if it is to develop normally. But we must always bear in mind that all this is possible only under conditions of peace and international understanding and cooperation. I suppose, M. Orzechowski said in conclusion, that it is the Polish people who are in the best position to value these blessings because they lost over 6 million citizens, including about 2 million children, in the last war.

/12232

COMMITTEE APPEALS FOR GOMULKA MANUSCRIPTS

AU251621 Warsaw TRYBUNA LUDU in Polish 19 Feb 86 p 2

["Communique by the Editorial Committee for Planning an Edition of W. Gomulka's Writings"]

[Text] The PZPR Central Committee Politburo, wishing to perpetuate the memory of Wladyslaw Gomulka's distinguished role in the Polish workers' movement and in the emergence and development of People's Poland, has decided to publish his writings. For this purpose an Editorial Committee has been appointed which has already commenced work. At the present state of its work it wishes to determine the full extent of his heritage of writings.

The committee asks all persons and institutions possessing manuscripts by Wladyslaw Gomulka—speeches, letters, notes, and other texts, as well as photographs—to send them to the PZPR Central Committee Central Archives (Warsaw, 13 Gornoslaska Street, telephone 28-60-95 or 29-83-81). This material will be photocopied for editorial and storage purposes and the originals will be returned to their owners.

The Editorial Committee will be grateful for a positive attitude toward its request and gives thanks in advance for the help given to it. The Editorial Committee for Planning an Edition of Wladyslaw Gomulka's Writings.

/12232 CSO: 2600/303

PAPER REVIEWS MILITIA RESERVE'S 40TH ANNIVERSARY

AU251807 Warsaw TRYBUNA LUDU in Polish 21 Feb 86 p 3

[Jerzy Olszewski article: "Forty Years in the Service of Society"]

[Text] On 21 February 1946, 40 years ago, the Voluntary Citizens Militia Reserve [ORMO] was founded. To be more precise, on that day the Council of Ministers adopted the appropriate resolution, but ORMO units emerged earlier, during the war.

Voluntary groups formed themselves in areas liberated from occupation. They were inspired by the Polish Workers Party, which called on peasants, workers, and the intelligentsia to provide able-bodies and bold people to keep the peace, protect the life and property of citizens, and introduce social order to industrial plants, steelworks, coalmines, and the frequently depopulated cities and villages. But this was not their only task.

The beginning, as well as the first years of ORMO's official existence, were also a sharp struggle against an underground that was hostile to socialism, a struggle during which many lost their lives or health. In the middle of 1946 ORMO membership amounted to 40,000, but was already over 100,000 at the beginning of 1947. These members, together with functionaries of the Citizens Militia and Security Service, became soldiers of the Polish People's Army, guarding the emerging socialist state.

When it was obvious that the state had taken root and that strong organizational structures for people's rule had emerged, and when the opponents to the new system had had their weapon knocked out of their hands, meaning real rifles and pistols, the tasks of the ORMO organizations changed. A new statute issued by the minister of internal affairs altered the unit's paramilitary nature that had been in effect till then. ORMO became a social organization, whose basic duty since then has been to conduct preventive and educational activity, as well as to guard public property and economic and natural assets, and maintain order in the streets of cities and villages and in production plants.

Later, the PPR Sejm passed a law which stipulated the structure and nature of ORMO.

Today, ORMO's membership exceeds 300,000. People have remained in the organization who are profoundly ideological, compeltely dedicated to their work, and

convinced as to its correctness and necessity. Such a selection of people has not turned out to ORMO's disadvantage because the weakest people and those who are unstable and nonresilient have left it. Some former members are once again applying to join, or rather to return to the units where they once worked.

Not so long ago I looked at the work of ORMO teams in large plants in Silesia—in mines and steelworks. Not many functionaries resigned in those p ces at the beginning of the 1980's. People possessing a workers' background are tough, resilient, and not susceptible to changing moods. They continue to patrol their plants just as they have always done; make daily rounds; and point out disorder, untidiness, and waste of machinery, equipment, raw materials, commodities, and energy. Their work serves to visibly improve the production figures of enterprises.

ORMO men cooperate closely with the industrial watch and with professional control bodies. Wherever this cooperation is in order, cases of drinking liquor during work or violating other legal rules in force inside workplaces are either absent or exceedingly rare. ORMO's cooperation with the Militia and Railroad Protection Service is very favorable. Until recently, very evil things, even shocking ones, used to occur. Wagons were quite simply stolen and valuable goods carried away. Now the situation has clearly improved, and a lot of this is the work of ORMO teams patrolling stations and railroad sidings, and controlling trains on the move.

The years of sociopolitical unrest have strongly weakened the moral health of some sectors of our nation. We know that there is no universal body combatting wrongdoing. It is necessary to create a broad front of social disapproval, a front of moral renewal. It is in this very front that an above-average role may be played, and in fact is being played, by ORMO, which has written so many beautiful pages in its 40-year history.

/12232

JARUZELSKI RECEIVES DKP DELEGATION

AU250544 Warsaw TRYBUNA LUDU in Polish 22-23 Feb 86 p 1

[Text] PAP--On 21 February PZPR First Secretary Wojciech Jaruzelski received a DKP delegation led by Karl Heinz Schroeder, Presidium member and board secretary of the DKP.

W. Jaruzelski discussed Poland's situation and 10th Congress preparations and K.H. Schroeder reviewed DKP activities in the struggle for peace and the working people's rights in the FRG as well as the course of party discussions prior to the Eighth DKP Congress.

The sides agreed that the most important present task of all progressive and democratic forces is to struggle against the danger of nuclear annihilation and to support all initiatives to promote this struggle. In this connection they approved of M. Gorbachev's proposals that nuclear weapons should be eliminated by the end of this century.

The PZPR and the DKP view with concern the activization of the revanchist forces in the FRG, which continue to question the territorial-political reality in Europe. It is necessary to oppose such activities.

The two parties will continue to develop their fraternal cooperation.

The meeting, which took place in a cordial atmosphere, was attended by Ernest Kucza, head of the Central Committee Foreign Department.

/12232

PZPR LAW, ORDER COMMISSION IN SESSION

AU250544 Warsaw TRYBUNA LUDU in Polish 22-23 Feb 86 p 2

[Jerzy A. Salecki report: "Developing Attitudes Is a Common Task"]

[Text] The 21 February session of the PZPR Law and Order Comission discussed the party program for developing civic attitudes, consolidating moral values, and combatting wrongdoing in 1986-90. The session was chaired by Central Committee Secretary Jozef Baryla, the commission's new chairman.

The session analyzed the party program's commitment to ensure that citizens respect and observe the values of socialist humanism and that wrongdoing is eliminated from public life. It stressed that the comprehensive nature of the program makes it necessary to promote a national struggle against wrongdoing in any form and that the party, which coordinates the allround process of renewal, continues to respond to people's demands that efforts to overcome the crisis must not be restricted to economic problems alone because there is also an acute crisis of human behavior and because reprehensible and criminal phenomena continue to be tolerated.

The party program for fostering civic attitudes is a continuation of the Ninth Party Congress tasks and reflects social needs and expectations. That is why its tasks can and should be tackled by various social organizations and educational institutions.

The session stressed the need for an extensive struggle for the morale of our people and against various features of wrongdoing and agreed that parents, school, youth organizations, local self-government groups, and enterprises must have their place in this struggle. The session drew special attention to the responsibility of enterprise managements for educating new cadres, for fostering correct people-to-people relations, and for combatting alcoholism and refusal to work and indicated that the social efforts to develop civic attitudes must be aided by the law, which should be applied with justice and the necessary severity.

The session agreed that unreasonable tolerance of wrongdoing makes the criminal fringe even more impudent and undermines people's trust in the authorities. The important task is to create a climate that encourages the people to actively combat wrongdoing and that totally condemns alcoholism, dishonesty, loitering, as well as common and economic crimes.

The struggle for the people's moral health is one of the elements of the 10th Party Congress preparations, J. Baryla said. By presenting the long-term program for civic upbringing, we want to foster socialist ideals, strengthen respect for work, and eliminate wrongdoing from our community life. The party sponsors activities to this effect, but all party members and nonparty people must support these activities for national reasons. The document that this commission will draw up will be represented to the party leadership.

The session also discussed the performance of the Worker-Peasant Inspectorates in 1985 on the strength of an analytical report submitted by the Social-Legal Department of the Central Committee.

/12232

OLIWA SPEECH ON SOVIET ARMY ANNIVERSARY

AU261516 Warsaw ZOLNIERZ WOLNOSCI in Polish 22-23 Feb 86 p 2

[Speech by General of Division Wlodzimierz Oliwa, deputy minister of national defense and chief quartermaster of the Polish Army; at a concert held at the Polish Theater in Warsaw on 21 February to mark the 68th anniversary of the formation of the Soviet Armed Forces]

[Excerpts] This year we are celebrating Soviet Comrades—in—Arms Day in a particularly elevated atmosphere. This atmosphere is generated by the preparations which are being made for the 27th CPSU Congress, whose historic deliberations will commence in a few days' time. The congress will be an event of the highest order, whose singificance will extend beyond the borders of the Soviet Union. These pre-congress days are accompanied by thoughts on the great achievements of the Soviet people since the Great October Revolution, and by thoughts on the inspiring and stimulating program whose implementation will raise the Soviet Union to a qualitatively new level of sociopolitical and economic development and will lead it along the wide road leading to a communist society.

Life in peace continues to be subjected to a harsh test. In recent years, mankind has once again found itself in a critical situation. The confrontational policy being pursued by the United States and the majority of its NATO allies is the force that is pushing the world toward a nuclear catastrophe. The intensification of the arms race, the realization of the "Strategic Defense Initiative"—the "Star Wars" program to call it by its name—is the most telling manifestation of this tendency. This has resulted in a dangerous deterioration in relations between East and West. It is a threat to all mankind.

This policy is aimed at producing a change—to the benefit of the West—in the existing balance of power between the United States and the Soviet Union, and the North Atlantic Alliance and the Warsaw Pact. A whole complex of military, economic, political, and propaganda undertakings have been subordinated to this end.

The Soviet Union leaves no doubt that all attempts at achieving superiority over our defensive coalition will be thwarted in good time. At the same time the Soviet Union, supported by the socialist states, continues to undertake peaceful activities aimed at creating confidence and security in Europe, at curtailing the arms race, at stabilizing and laying a firm foundation for military equilibrium, and at achieving a consistent reduction in the danger threshold.

The most recent and clear evidence of this is the initiative announced by the General Secretary of the CPSU Central Committee, Mikhail Gorbachev. He has put forward a comprehensive program for greeting the 21st Century without nuclear and chemical weapons and with a far-reaching reduction in conventional weapons. The philosophy behind this program—which convinces hearts and minds with its simplicity, logicality, and its resoluteness—can be expressed in one sentence: Let us not seek weapons that are more powerful then those we already have, and seek to protect ourselves against their use; let us destroy them now and live in peace.

The Soviet program for total disarmament has set out, in a concrete and factual manner, the path leading to mankind's liberation from the nuclear threat. It is of historic significance for the disarmament dialogue between the Soviet Union and the United States and for the negotiations which are taking place between East and West in various forums. The document creates hope that lasting peace will become a real possibility.

On the other hand, so far it has not met with an appropriate response in the United States.

As General W. Jaruzelski, PZPR first secretary, declared from the tribune of the United Nations, Poland is and will remain an ardent advocate of peace and international security. We gave expression to this by supporting the idea of a meeting between the leaders of the Soviet Union and the United States in Geneva. We support the Soviet program for the elimination of weapons of mass destruction.

Our efforts to strengthen peace and international security occupy a prominent place in the PZPR draft program and manifest themselves in the pre-congress discussion which is currently under way.

The soldiers of the Polish People's Army, along with all society, are actively participating in setting out the paths for the development of socialist Poland. They are defining their responsibilities toward their own country and toward the entire socialist community.

/12232 CSO: 2600/303

ROLE OF BASIC PARTY ORGANIZATIONS VIEWED

AU272118 Warsaw ZYCIE WARSZAWY in Polish 24 Feb 86 p 2

[Discussion of report prepared by the executive of the Warsaw Voivodship PZPR Committee and presented at a conference of basic party organization first secretaries held in Warsaw on 22 February]

[Excerpts] Primary party organizations must be deeply rooted in their communities, they must be familiar with the problems faced in their communities, and know what concerns people most of all. These were the dominant themes of the report which served as a starting point for discussion.

The report concentrated on the following issues:

- --How can the Warsaw party organization be strengthened, and how can its in-fluence be increased and its ability to lead and direct the political, social, and economic life of the capital enhanced;
- --How to form the closest possible bond between the party and workers' class and its aspirations and interests;
- --How to improve the manner in which the ideals of the party are conveyed to the younger generation.
- --What has to be done to party work to bring about an improvement in the execution of economic tasks and to raise effectiveness in the solution of the most urgent problems faced by working people.

Of course, the answers are neither simple nor straightforward. These questions were inserted into the report on the assumption that participants in the meeting would voice opinions on them and make observations. The concrete facts, figures, and proposals contained in the report were to serve as the starting point for discussion and generalization.

Here are some examples:

The Warsaw PZPR organization has more than 137,000 party members and candidate members who are grouped together in more than 3,000 primary party organizations. Last year 3,000 candidate members were admitted into the party (1,000 more over

1984), but only 785 primary party organizations were involved in their recruitment. There are party organizations—and some are in workplaces that are far from small—which did not admit a single candidate during this period. The number of workers in the party—we read in the report—is also unsatisfactory. Even in such typically workers' districts as Wola and southern and northern Praga, workers comprise only 25-35 percent of those admitted into the party as candidate members. The report provides examples of active party organizations and of party organizations whose work leaves a lot to be desired. An obvious conclusion can be drawn from this—building the party must be the concern of all its members. The report also draws attention to individual party tasks and to the work of party groups whose activeness has declined somewhat.

In the section of the report dealing with trade unions, it is stressed that party members comprise barely 60 percent of union membership in the voivodship. The presence of party members in the trade union movement should—stresses the report—provide confirmation of the continuity of the party line with regard to trade unions, which is that the party is an ally and partner of the trade union movement in the struggle to satisfy the needs of working people and that it defends the independence of the movement and adherence to the principle of self-government.

Much space in the report was devoted to living and working conditions in the city and voivodship. The attention of the capital's political and administrative political authorities always has been and always will be focused on finding ways of improving these conditions. Nevertheless, there is a need for a further definite improvement to be made to the situation. Improvements are needed in the operation of all the services provided by the city: transportation, the supply of water, the provision of heating, trade, public order, and medical care, education, and culture.

Despite the selflessness displayed by a certain section of the employees working in these areas of the city's life, the quality of their work continues to arouse public criticism. Undoubtedly one cause of this criticism is the progressive decline in the condition of municipal facilities. But one also knows of cases of a lack of responsibility on the part of representatives of the administration and management cadres who run public services creating additional difficulties in the living conditions of the city's inhabitants, who are already wearied by the difficulties they encounter in everyday life. Those who are guilty of such actions are frequently castigated publicly but what do party organizations do in these instances? After all, party organizations should assess the quality of work in its undertakings for the good of the city in daily practice, and they should, above all, take stock of their activities in this field and be judged by party cells.

The report also sets out the key socioeconomic issues for the capital and voivodship over the coming years. These include:

--Ensuring that the necessary technical conditions exist for the proper functioning of the agglomeration, entails solving problems connected with the water supply, the construction of sewers, the expansion of the trade and services infrastructure (including the construction of a bakery).

- --Improving housing conditions and the supply of essential services in residential areas.
- --Creating an efficient public transportation system; this entails the construction of the first stage of the metro, and the expansion of the bus, tram, and trolley-bus networks.
- --Developing the production base for agriculture and the food industry in order to improve the supply of foodstuffs to the population.

The report also stresses the role and tasks of the Warsaw party organization during the period of preparations for the 10th PZPR Congress. It is a matter of great importance to promote widespread interest in the contents of the party program and the issues that will be raised at the congress.

/12232

POLITICS POLAND

JARUZELSKI, GROMYKO EXCHANGE AWARD SPEECHES

AUO41449 Warsaw TRYBUNA LUDU in Polish 28 Feb 86 pp 1, 3

[Exchange of speeches by PZPR First Secretary Wojciech Jaruzelski and USSR Supreme Soviet Presidium Chairman Andrey Gromyko during the 27 February presentation of the Grand Cross of the Order of Polonia Restituta to the latter at the Polish Embassy in Moscow]

[Text] W. Jaruzelski: Comrade Gromyko, you have been an active participant in the construction of the postwar territorial and political order in Europe and an architect of a phase of peaceful coexistence. You were in Yalta, Potsdam, and San Francisco. In those distant days, which always seem not very far from us, you conceived a cordial and far-reaching attitude toward Polish affairs and toward socialist snd sovereign Poland's territorial integrity. Bearing in mind the struggles and sufferings of the European peoples, you have always opposed consistently and resolutely any attempt to undermine the World War II results, for which the Soviet and Polish people paid such an incalculable price.

On behalf of the PZPR Central Committee and PPR highest authorities, W. Jaruzel-ski extended to A. Gromyko expressions of great esteem and wishes for a long life and fruitful work for the CPSU and the Soviet State and people.

A. Gromyko: Offering his cordial thanks for the honor of the award, A. Gromyko said among other things: The order I have just received is not only a recognition of my modest services, but above all a high evaluation of the policy followed by our Leninist Party and the soviet states, the friendship between our peoples has deep roots. Our common dedication to Marxist Leninism and the unity between the PZPR and the CPSU as well as between the USSR and People's Poland on international questions is a guarantee that this friendship will continue to intensify.

A. Gromyko also stressed the importance of Poland's support for the Soviet Union's peace initiatives. Our country highly values Poland's activities to strengthen the Warsaw Pact and its contribution to the coordinated foreign policy of the fraternal countries and to our common struggle for the peace and security of nations, he said.

/12232

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POLITICS POLAND

U.S., SOUTH KOREAN MANEUVERS VIEWED AS THREAT

AU031153 Warsaw ZOLNIERZ WOLNOSCI in Polish 1-2 Mar 86 p 7

[Major Jerzy Markowski: "Maneuvers of Anxiety"]

[Text] For many years the Korean Peninsula has been an arena of confrontation and an exceptionally volatile hotbed of war, posing the danger of a hecatomb which would involve at least the region. The dangerous "war games" that have been held in an American-South Korean version since 10 February clearly show who is in favor of escalating warlike measures in this part of the world. The maneuvers codenamed "Team Spirit-86," for these are the subject, are causing not only anxiety but also a real threat.

For let us realize that over 200,000 crack soldiers have been billeted in a realtively small area, whereas the bloody aggression against the North in June 1950 was started with only half this number of soldiers. The organizers of this military demonstration in Seoul and Washington are making no effort to hide the fact that the exercises possess a clearly offensive nature, aimed at the DPRK. After all, it is difficult to conceal the types of forces participating in the maneuvers and using the most modern military materiel designed to wage nuclear war. Parachute descents, the overcoming of water obstacles, activity by special units—these are only some of the features of this year's extensive "Team Spirit" scenario. The aircraft carrier "Enterprise," flagship of the U.S. 7th Fleet; F-15 and F-16 aircraft capable of carrying nuclear weapons; various kinds of tactical missiles; howitzers; and M-60 tanks;—this is the materiel being used in the war rehearsals.

In addition, the Americans are moving to the Korean Peninsual the Third Marine Division from Okinawa, the 7th Infantry Division from California, and the 25th Division permanently based in Hawaii. It is not by coincidence that these units have been chosen. After all, former soldiers belonging to them "distinguished" themselves in the terrible Korean War in 1950. Can it be that their successors are being prepared to continue their work? It looks like it, especially because the scenario of the exercises foresees a forcing of the demarcation line and an advance on the North. Most of the units have also been deployed along the 38th parallel. The flagship of the 7th Fleet, from which the maneuvers are being directed, has been anchored in Inchon, which was also a strategic point in the last war. This, together with the deployment of combat aircraft from the 8th and 18th Tactical Air Squadrons or the 376th Squadron, has been carefuly planned. There is no question of routine training. Instead, the soldiers are being shown the real conditions of the sites of potential combat operations.

General Wheecham, one time chief of the General Staff of the American land forces, once said that the "Team Spirit" maneuvers have shown that one can wage an undeclared war in Korea. Are this year's maneuvers meant to confirm and perpetuate this view? Everything indicates that the answer is yes, because every year the "Team Spirit" maneuvers are being perfected with this objective in mind. If there were 46,000 people taking part in the first of these series of exercises in 1976, today that figure is already over 200,000.

"Team Spirit-86" is also different from past exercises because of the size of operations, the types of weapons used, tactical objectives, and the location of combat areas directly near the fragile demarcation line. During the past 2 weeks, U.S. reconnaissance aircraft have violated DPRK airspace as much as 19 times. I do not suppose anyone needs convincing as to the possible outcome of such incidents when, at the same time, there is a 200,000-strong army concentrated in the starting positions of the "Team Spirit" maneuvers.

In the light of this, one can quite understand the DPRK's protests and aims to stop these maneuvers of anxiety which are causing a further growth in tension, enhancing a lack of confidence, and torpedoing the possibilities of peaceful dialogue in this part of the world. Pyongyang's peace efforts have encountered support from the whole of the world's progressive public opinion. The DPRK's statement on halting all military maneuvers and exercises on its territory as of 1 February has met with clear apporval. This was not merely a gesture of good will, but a constructive basis on which to build the structure of peace and security, if only the United States and South Korea follow this example. The "Team Spirit" maneuvers have buried these hopes. And all the responsibility for the antipeace activities in the Korean Peninsula and for escalating tension and war preparations falls on the shoulders of the organizers of these maneuvers. For any objectively thinking person will notice in whose interests it lies to maintain a dangerous hotbed of tension and exacerbate it. The "Team Spirit-86" maneuvers do not serve a good cause. Instead they serve hegemonistic U.S. goals, the perpetuation of the U.S. presence in this region, and the continuation of destabilization. The Korean War and aggression against the DPRK 36 years ago were also preceded by make-believe manuevers....

/12232

POLITICS POLAND

MESSNER MEETS LEGISLATIVE COUNCIL OFFICIALS

LD072158 Warsaw PAP in English 2017 GMT 7 Mar 86

[Text] Warsaw, 7 March--Prime Minister Zbigniew Messner met today with members of the Presidium of the Legislative Council who conveyed to him a report on the state of law.

The Legislative Council is a social advisory body [word indistinct] the prime minister which groups 40 eminent lawyers and cooperates with 60 scientists representing all university centres in Poland.

The 200-page report, and 7 volumes devoted to the separate domains of law which accompany it, have been prepared by the Legislative Council over the past 18 months and contains synthetic information about the state of the currently binding law and formulates directions of its improvement.

Thanking the Legislative Council's Presidium for the work on the report, the prime minister stressed [words indistinct] very helpful in preparing the government's programme of legislative work for the near and more distant future.

Premier Messner also thanked Professor Zylwester Zawadzki, the hitherto chairman of the Legislative Council who resigned because of his nomination to the Council of State, for his work, and handed the nomination act to the council's new Chairman Professor Zbigniew Radwanski of the Adam Mickiewicz University in Posnan.

/12232

PZPR PROVINCIAL, REGIONAL COMMITTEES MEET

Krosno Plenum on Agricultural Needs

Warsaw RZECZPOSPOLITA in Polish 13 Dec 85 p 2

[Text] The PZPR KW Plenum held on 12 December in Krosno was devoted to an assessment of the current situation in agriculture and the food economy in Krosno Province in light of the resolutions of the llth PZPR CC and ZSL NK Plenum.

It was determined that in order to achieve an increase in farm production in all of its fields, land reclamation must continue, agricultural and rural water supply must improve and better living conditions must be created for rural communities through the development of health clinics and the educational-cultural and sports-recreational base.

Chelm Plenum on Party Organization

Warsaw RZECZPOSPOLITA in Polish 13 Dec 85 p 2

[Text] The PZPR KW Plenum held on 12 December in Chelm was devoted to an examination of the major directions of socioeconomic development from 1986 through 1990 and to the specification of the tasks of party echelons and organizations in implementing these directions of development.

The resolution that was passed binds party echelons and organizations to inspire and create a broad social front for implementing the tasks of the next five-year plan.

Lublin Plenum on Ideology

Warsaw TRYBUNA LUDU in Polish 16 Dec 85 p 2

[Article by Ryszard Wolak; first paragraph is TRYBUNA LUDU introduction]

[Excerpts] (Own Information) In spite of the fact that the plenary meeting of the PZPR Provincial Committee in Lublin that took place on 14 December under the chairmanship of KW Secretary Tadeusz Borszynski was to be fairly limited in subject matter due to the 30th anniversary of the Lublin WUML,

it became an opportunity for exchanging views on ideological-upbringing issues in general.

It was emphasized during the deliberations that the level and effectiveness of ideological work in each party element has a marked influence on the state of the entire party, on its ideopolitical cohesiveness.

Recently a fundamental current of the ideopolitical and organizational work of the provincial party organization has been related to the PRL Sejm elections campaign.

In assessing the elections as a victory of the front for national understanding, we may note that in the Lublin Province, the Evening University of Marxism-Leninism has played an important part here by contributing to the training of a large group of party activists in youth organizations, political parties and the nonparty aktiv.

During this academic year, in order to prepare the party aktiv for working more effectively during the period preceding the 10th PZPR Congress, Marxism-Leninism study groups have been set up to accompany the many forms of training already in existence. Seventy such groups have begun operation. In this way, the party will contribute to resolving the growing problems facing society and the workers' communities in particular and will gain society's support for its own program. The tendency for more and more workers to enter the PZPR already is evident. In 1984, the POP's accepted 328 workers and 85 peasants, while over the course of 11 months in 1985, they accepted 454 workers and 110 peasants.

In the resolution passed by the KW defining the future tasks of ideological work and in the implementation of the resolutions of the 13th PZPR CC Plenum preceding the 10th Party Congress, it is recognized as necessary to continue to increase the importance of WUML in the system of ideopolitical education, to make better use of its graduates and to improve the operation of the institution so that studies programs and its other forms of operation are related closely to the needs of the practical work of the provincial party organization.

Przemysl Plenum on Training

Warsaw TRYBUNA LUDU in Polish 16 Dec 85 p 2

[Article by Jan Miszczak; first paragraph is TRYBUNA LUDU introduction]

[Excerpts] The PZPR KW Plenum held on 14 December in Przemysl was devoted to party tasks in creating a society-wide front for aiding schools in educating and training young people.

It was noted that the movement for the renewal of our sociopolitical and economic life laid out at the Ninth Party Congress likewise is linked with a new approach to the problems of education and upbringing and to giving them their proper place in the hierarchy of social values.

It was emphasized that the school must be an institution that trains people for life and work, properly developing character and patriotic attitudes.

However, schools continue to battle with many problems that are not merely local in scope. The lack of textbooks is well known; the overly inclusive and difficult program is criticized; the frequent sketchiness of its implementation is viewed negatively since it leaves little time for forming the personality of the student, his moral attitudes, respect for work and the like. The party must help to resolve these growing problems. A program also must be prepared for the secular education of the entire society so that this duty does not fall exclusively upon the school. A proposal was made for creating a PZPR KW team for issues related to layman's affairs.

Siedlce Plenum on Local Party Structure

Warsaw RZECZPOSPOLITA in Polish 17 Dec 85 p 2

[Text] The PZPR KW Plenum held on 16 December in Siedlce was devoted to problems of the effectiveness of the political-organizational activities of the provincial party organization in light of the resolutions of the Ninth PZPR CC Plenum. Participants in the deliberations included: candidate member of the Politburo, PZPR CC Secretary Wlodzimierz Mokrzyszczak and Deputy Prosecutor General Hipolit Starszak.

Gdansk Plenum on Internal Party Structure

Warsaw RZECZPOSPOLITA in Polish 17 Dec 85 p 2

[Text] The assessment of the state of the Gdansk Provincial Party Organization, the definition of tasks for its future development and a discussion of the most important questions of intraparty work at the present time--these were the topics discussed at the PZPR KW Plenum held on 16 December in Gdansk. The deliberations were chaired by Politburo candidate member, PZPR KW First Secretary Stanislaw Bejger.

Kielce Plenum on Ideological Training

Warsaw RZECZPOSPOLITA in Polish 17 Dec 85 p 2

[Text] On 16 December, the provincial party echelon of the Swietokrzyski region held a plenary meeting to assess the ideological work in the Kielce region and the future directions of its development.

Plock PZPR, ZSL Joint Plenum

Warsaw RZECZPOSPOLITA in Polish 17 Dec 85 p 2

[Text] The PZPR and ZSL Provincial Committees in Plock met on 16 December at a joint plenary meeting devoted to the directions of development of the raw materials base and the agricultural-food industry in the region through 1990.

Various Provincial Committees Meet

Warsaw TRYBUNA LUDU in Polish 19 Dec 85 p 1

[Article by: jak]

[Text] (Own Information) On Wednesday, PZPR provincial committees held plenary meetings at Jelenia Gora, Rzeszow, Walbrzych and Wroclaw. On that same day in Sieradz, the PZPR KW and the ZSL WK deliberated at a joint plenum.

- --in Jelenia Gora, an assessment was made of the course of the Sejm elections campaign and the implementation of recommendations made by residents of the region at pre-elections meetings;
- --in Sieradz, the state of implementation of the resolution of the joint PZPR CC and ZSL NK Plenum was discussed;
- --in Rzeszow, the directions of socioeconomic development of the province from 1986-1990 and party tasks in implementing the plan for next year were discussed;
- --in Walbrzych, the protection of the natural environment in the province was discussed;
- --in Wroclaw, an assessment was made of the implementation of the recommendations of the 16th PZPR CC Plenum.

Konin Plenum Focus on Ideological Work

Warsaw TRYBUNA LUDU in Polish 20 Dec 85 pp 1, 2

[Article by Ryszard Slawinski]

[Text] (Own Information) "Towards the further intensification and expansion of the ideological-upbringing work of the provincial party organization"—this was the subject of the plenary meeting of the Konin PZPR Provincial Committee. The administrators and employees of cultural and educational institutions took part in the deliberations. The meeting was chaired by PZPR KW First Secretary Lech Ciupa.

During the discussion, Andrzej Zjezdzalka from Pyzdry pointed out that we know of circles of people that we can influence ideologically, but there is not a large enough cadre to implement this influence. This shortage is felt especially sharply in rural areas. The speaker spoke with concern of the almost total abandonment of ideological-upbringing work in higher schools.

Tadeusz Sliwinski, director of the Metallurgical Schools Group in Konin, expressed concern regarding the low level of preparedness of teachers conducting classes in sociology, religion and sometimes even history. He noted the activation of church activities among young people. He suggested that young people should be invited more often to the Provincial Committee building for discussion and persuasion purposes. There is just too little contact and conversation going on. Marian Pietraszewski, education and upbringing superintendent, reported that as much as one-third of the teachers in the Konin Province lack professional qualifications. Intensive work is being done

with them to improve their professional and ideological qualifications. He said that despite many problems, a unified upbringing front is being rebuilt. Following a period of inactivity, plants are becoming more active in cooperating with the school.

Other speakers also stressed that within the framework of the National School Assistance Action, aid should be given not only in the form of building and expanding the base, but also in the area of developing an upbringing and ideological model of the school.

In the resolution that was passed, the plenum expressed the need for party members and primary party elements to take the offensive in molding prosocialist attitudes, the need to oppose enemy activities that conflict with the interests of society and the state.

The resolution approved the creation of the PZPR Teaching Community Committee that was established on 14 December 1985.

Committees on Need for Stronger Party

Warsaw TRYBUNA LUDU in Polish 19 Dec 85 p 5

[Text] At the regional center for party work in Otwock, on 18 December, members of the executive boards of PZPR city and city-gmina committees in Otwock, Sulejowek, Wesola, Jozefow, Karczew, Celestynow, Kalinow and Wiazowna gathered together for a meeting. The meeting was devoted to increasing the political-organizational effectiveness of party activities and to preparations for the 10th PZPR Congress in light of the resolutions of the 20th PZPR CC Plenum. During the discussion, major emphasis was placed on the tasks and role of POP's in the plant and in the strengthening of party ranks. The most important problem currently facing plant party echelons was found to be their execution of an assessment of the sociopolitical situation in their own plants.

During the meeting, cooperation between party echelons and trade unions and social organizations, including youth organizations, also was discussed. The latter in particular has not been successful everywhere. This emanates from the weakness of some gmina and city ZSMP elements and from the insufficient commitment of youth to social ends. Therefore, the need for party members to aid ZSMP elements also was emphasized.

PZPR CC Politburo member Albin Siwak, who took part in the meeting, stated that in the current political-economic situation, party members are faced with especially difficult and responsible tasks. He stressed the problems of social justice. He likewise presented problems arising in the work of the health service and housing construction.

Lodz Plenum on Social, Economic Plans

Warsaw TRYBUNA LUDU in Polish 28-29 Dec 85 pp 1, 2

[Article by Jan A. Kraszewski]

[Excerpts] On 27 December, the PZPR Lodz Committee held a plenum commencing extensive social discussion on the assumptions of the provincial socioeconomic plan for 1986.

The deliberations were chaired by CC Politburo member Tadeusz Czechowicz, first secretary of the provincial party echelon. Participants included members of the party team of Lodz People's Council council members and representatives of trade unions.

The discussion opened with an address given by Jaroslaw Pietrzyk, KL secretary. He focused on the most important problems to be resolved during the coming year. These include: housing construction, repairs to old homes managed by municipal authorities and the improvement of the educational and health services base.

Mieczysław Berwinski, PRL Sejm deputy and chairman of the Lodz People's Council, stressed the importance of the socialization of the planning process in all fields of social and economic life. With regard to this issue, Comrade Alfred Lutrzykowski expressed his concern over the delayed submission of the draft plans for next year. He said that due to this it is feared that Lodz People's Council council members will not have time to make a thorough analysis of basic documents.

During the second half of the meeting, the PZPR KL Plenum examined organizational matters.

Warsaw Committee, Audit Commission Meet

Warsaw TRYBUNA LUDU in Polish 28-29 Dec 85 p 8

[Text] On 27 December, a joint meeting of the PZPR Warsaw Committee Secretariat and the Warsaw Audit Commission Presidium was held. The deliberations were chaired by KW First Secretary Janusz Kubasiewicz. Kazimierz Morawski, PZPR CKR chairman, took part.

The discussion, that was prefaced by a report of WKR Chairman Ludwik Rzewuski, covered the results of checks and audits made by the WKR in 1985 and the tasks of auditing elements at all levels in 1986. It was stressed that all tasks embarked upon in this period will be part of a massive campaign preceding the coming 10th PZPR Congress for developing ranks and strengthening party elements.

Pila Plenum Notes Increased Party Numbers

Warsaw TRYBUNA LUDU in Polish 30 Dec 85 pp 1, 2

[Article by Wladyslaw Wrzask]

[Text] (Own Information) The plenary meeting of the PZPR Provincial Committee in Pila was devoted to an assessment of the implementation of the resolutions of the Ninth Extraordinary PZPR Congress in the Pila Province and to the tasks of party echelons and organizations in making preparations for the 10th Congress.

The point of departure for discussion in four working groups was the KW executive board report assessing the effectiveness of the work of the provincial party organization during the period following the Ninth Congress. The report also discussed in detail the work of the party throughout 1985, now coming to a close.

Over the course of 11 months in 1985, 797 candidate members were accepted into party ranks in Pila, or 42.2 percent more than during the same period in 1984. The majority of the new members are workers. The activism, the mobility and the scope of the work of primary party elements increased considerably. A vital achievement is the action taken by these elements on the most important issues and problems of the communities in which they operate. Considerable progress likewise was noted during the period in the implementation of party resolutions.

Due to party actions, the elements of authority and all forms of participation of society in exercising authority were strengthened.

The Provincial Committee approved the report that was submitted on the implementation of PZPR Ninth Congress resolutions. All party echelons and organizations were obliged to make a similar assessment and to suggest possible comments, additions and recommendations for the accepted report. The program of work adopted for the near future states that the Pila Provincial Party Organization will embark upon activities slated towards developing party ranks, deepening forms of ideological training and making them more attractive and expanding methods of social consultation.

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POLAND

BRIEFS

GDR UNIONISTS AT 'URSUS'--The following topics were discussed at a meeting of a FDGB delegation from GDR with unionists from the Machinery Plants 'URSUS': participation of workforce in enterprise management and union's actions to improve productivity and working conditions of workforce. Participating in the meeting with the GDR delegation consisting of nine members and led by Harry Tisch, Central Committee SED Politburo member and FDGB Central Board chairman, were Alfred Miodowicz, chairman, OPZZ, Wlodzimierz Lubanski, chairman of the Trade Unions Federation 'Metalowcy' [Metal Workers], and 'URSUS' management. The GDR delegation also met with representatives of the Warsaw Trade Unions League. [Text] [Warsaw ZYCIE WARSZAWY in Polish 29 Nov 85 p 2] 12607/7687

TECHNOLOGY MEETING AT COUNCIL OF MINISTERS--A meeting was held on 28 November 1985 by the Committee for Science and Technology at the Council of Ministers. During the discussion led by Deputy Premier Zbigniew Szalajda, a draft of the 1986-1990 National Socioeconomic Plan was analyzed with respect to its science and technology aspects. A two day plenary meeting of the Main Council of Science and Higher Education was held at the Warsaw Polytechnical School on 28 November 1985, the last in its first term that is ending now. Election of the Council members for the second term was reviewed. The Council refused to support a proposal to offer assistant-professorship to applicants without habilitation. The 7th Conference of the Polish Society for Political Sciences began on November 28, 1985 in Przysiek near Torun. During the opening ceremony, for the first time annual scientific awards for the whole scientific output were granted. The recipients were Professor Arthur Bodnar, Professor Jerzy Muszynski, and Professor Longin Pastusiak. Worth activists of the society were honored with state orders. Among others, Professor Kazimierz Podoski and Dr. Wiktor Pianowski were decorated with the Officer's Cross of the Order of Polonia Restituta and Professor Longin Pastusiak with the Knight's Cross of the Order of Polonia Restituta. [Text], [Warsaw TRYBUNA LUDU in Polish 29 Nov 85 p 5] 12607/7687

DEPUTY PREMIER AT AGRICULTURAL NEWSPAPER--Deputy Premier Jozef Koziol met on 28 November 1985 with editors of the weekly GROMADA - ROLNIK POLSKI [COMMUNITY - POLISH FARMER]. He reviewed the implementation of agricultural policies put forward by the PZPR and ZSL. [Text] [Warsaw TRYBUNA LUDU in Polish 29 Nov 85 p 5] 12607/7687

AMBASSADOR TO URUGUAY NAMED--Montevideo (PAP)--Witold Dynowski, new Polish Ambassador to Uruguay presented Uruguay's President Julio Mario Sanguinetti with his credentials. During a private meeting, President Sanguinetti stated that Uruguay is interested in developing multilateral cooperation with Poland. [Text] [Warsaw TRYBUNA LUDU in Polish 29 Nov 85 p 7] 12607/7687

FARM PROBLEMS DISCUSSED IN ELBLAG--PZPR Central Committee Secretary Zbigniew Michalek and ZSL Chief Committee Secretary Kazimierz Olesiak took part in a joint plenary meeting of PZPR Provincial Committee and ZSL Provincial Committee in Elblag that discussed crucial problems of agriculture in the region. [Text] [Warsaw ZYCIE WARSZAWY in Polish 30 Nov - 1 Dec 85 p 2] 12607/7687

PRON, JOURNALISTS CLUB MEETING--Jan Dobraczynski, PRON National Council chairman, met with representatives of the Club of Journalism of Philosophy of Life at the Association of Journalists of the Polish People's Republic. Boguslaw Czarminski, the Club's chairman, was present at the meeting. The club founded in May 1985 under the auspices of the Main Administration of the Association of Journalists of the Polish People's Republic (SPDRL) consists of ca. 50 journalists of different philosophies of life, a numerous group of journalists unaffiliated with the SDPRL as well as scientists and social activists. The chairman of PRON Chief Council acquainted himself with the club's program pointing out that the very existence of the club is an exemplification of the process of national rebirth and that the implementation of its program will contribute to national agreement and widen the sphere of PRON's influence. [Text] [Warsaw ZYCIE WARSZAWY in Polish 30 Nov - 1 Dec 85 p 2] 12607/7687

JOURNALISTS HOST TALK ON ADDICTION—The number of drug addicts in our country is estimated to be ca. 200,000. The majority of them are under 25. Unfortunately, the number of drug addicts rises. More and more often, children under 10 reach for intoxicants. The results of research done last year among the Warsaw drug population by the Warsaw Office of Internal Affairs were presented in Warsaw at a meeting of journalists and representatives of jurisdiction, health maintenance organizations and organizations combating drug addiction. The meeting was organized by SDPRL's Club of Social and Legal Journalists and editors of the journal CZLOWIEK I SWIATOPOGLAD. Ways of making mass media more effective in the campaign against drug addiction were discussed. [Summary of PAP dispatch] [Text] [Warsaw ZYCIE WARSZAWY in Polish 30 Nov - 1 Dec 85 p 2] 12607/7687

STUDENT MOVEMENT HOSTED IN WROCLAW--The Wroclaw Polytechnical School hosted a jubilee meeting to celebrate the 40th anniversary of the Wroclaw university student movement. Several generations of alumni met who are now professors and outstanding specialists in various spheres of social and economic life. Participating in the meeting was Politburo Member, PZPR Central Committee Secretary Tadeusz Porebski. Fifty-four of the most worthy representatives of several generations of youth organization activists were decorated with golden and silver Janek Krasicki Badges, which were handed by Jerzy Szmajdzinski, chairman of the Main Administration of the Union of Polish Youth.

Present were members of the "Polish Academics Association in Germany". Lutoslawa Malczewska and Adolf Wawrzok were decorated with Golden Badges of Merit for the City of Wroclaw and the Wroclaw Province. Twelve university youth organization activists were handed Party tickets and admitted as Party candidates respectively. [Text] [Warsaw TRYBUNA LUDU in Polish 30 Dec - 1 Dec 85 p 7] 12607/7687

POLITICAL SCIENTISTS MEET IN TORUN—Concurrent with the 27th Conference of the Polish Society for Political Sciences was a political science session that discussed the external and domestic conditions on Poland's political growth. The subject of discussion and analysis by political scientists were that, according to scientific forecasts, will play the most crucial role the coming years in bringing about the stability and growth of the country as well as strengthening of its position on the international forum. A new leadership of the Society was elected. Prof Dr Longin Pastusiak from Warsaw was elected chairman of the Society's Main Administration. Participating in the session and the conference was Head of PZPR Central Committee Science Department Prof Bronislaw Ratus. [Text] [Warsaw TRYBUNA LUDU in Polish 30 Nov - 1 Dec 85 p 7] 12607/7687

LAWYERS SOCIETY CONFERENCE--A meeting of delegates for the 11th National Conference of the Association of Polish Lawyers (ZPP) began in Warsaw. A midterm review was made of the Association's activities and output. Discussion topics included ZPP's participation in law-making and law application, in shaping the society's awareness of law and its legal culture, and in inspiring legal steps to strengthen law and order. [Text] [Warsaw TRYBUNA LUDU in Polish 30 Nov - 1 Dec 85 p 7] 12607/7687

HUNGARIAN CC DELEGATION VISITS--A delegation of MSZMP Central Committee visited Poland on 25-29 November 1985. Following were the members of the delegation: MSZMP Central Committee Secretary and Somogy Provincial Committee First Secretary Imre Klenovics; Peter Kovacs, head of a sector in MSZMP Central Committee Party & Social Organizations Department; Gyula Knizse, secretary of MSZMP Fejer Provincial Committee; and Andras Levai, functionary in MSZMP Central Committee Party & Social Organizations Department. delegation met with the leadership of PZPR Central Committee Political & Organizational Department and acquainted itself with work of party organizations in Gdansk and Bydgoszcz Provinces. During the talks, the delegation acquainted itself with forms, methods and style of work of PZPR organizations. Views were exchanged on the role of PZPR and MSZMP local organization in the process of implementation of resolutions of PZPR AND MSZMP Central Committees and National Conferences respectively. Finally, the delegation was received by deputy Politburo member, PZPR Central Committee Secretary Wlodzimierz Mokrzyszczak. Participating in the meeting were Kazimierz Cypryniak, chairman of PZPR Central Committee Political & Organizational Department, and Hungarian Ambassador Gyoergi Biczo. [Text] [Warsaw TRYBUNA LUDU in Polish 30 Nov - 1 Dec 85 p 2] 12607/7687

GDR CC AGRICULTURAL DELEGATION VISITS--Upon the invitation of PZPR Central Committee, a working delegation of SED Central Committee visited Poland on

26-30 November 1985. The delegation was led by Heinz Drescher, deputy chairman of SED Central Committee Agricultural Department. It visited the following provinces: Lomza, Bialystok, and Suwalki, where it acquainted itself with work of party cells in food processing plants and prospects for this branch of industry. The GDR guests met with Stefan Zawodzinski, head of PZPR Central Committee Agricultural Department. The delegation was also received by Central Committee Secretary Zbigniew Michalek. Deputy Premier Zbigniew Szalajda received on November 29, 1985 the leadership of the Federation of Trade Unions of Aviation and Engine-Building Industry Employees led by its chairman Stanislaw Janas. Functioning of enterprises of the branches of industry represented by the Federation under the economic reform was discussed. [Text] [Warsaw TRYBUNA LUDU in Polish 30 Nov - 1 Dec 85 p 2] 12607/7687

COASTAL SD GROUPS MEET--A meeting of the SD Provincial Committees' presidia from coastal provinces was held on 30 November 1985 in Gdansk. The discussion was focused on a natural environment protection plan for the coastal region for the period of up to 1990. A favorite opinion was expressed about the implementation of a similar plan approved a year ago. During the meeting, a common stand was arrived at to the effect that there is a need to properly coordinate the implementation of the last year's plan and to awake the society's awareness of ecological problems. Participating in the meeting were SD Central Committee Chairman Tadeusz Witold Mlynczak and Minister of Environment Protection and Natural Resources Stefan Jarzebski. National Council Secretary General Jerzy Jaskiernia met in Soczewka near Plock with activists of the Polish University Student Union (ZSP). He informed them about the present situation and prospects of national agreement in Poland. Also, he answered numerous questions about the political situation after the Sejm elections. It was pointed out in the discussion that members of ZSP, which participates in PRON, should be more active in stimulating intellectual circles to solve the most grave challenges of our times that our country faces now. [Text] [Warsaw RZECZPOSPOLITA in Polish 2 Dec 85 p 2] 12607/7687

RUSSIAN LANGUAGE TEACHERS MEETING—A meeting of Russian language university teachers was held at the Academy of Economics yesterday to discuss problems of teaching Russian at Cracow university—type schools. It was organized by the Cracow Administration of the Society of Polish—Soviet Friendship (TPPR). Invited to the meeting were also chairmen of TPPR college committees and members of TPPR Cracow Administration Academic Committee. The goal of the meeting was to develop most effective teaching methods that would allow to master the language relatively fast. TPPR's main goals and guidelines for work in academic circles were also discussed. Participating in the meeting were, among others, TPPR Main Administration Secretary Boleslaw Borysiuk; Konstantin Sidorenko, vice director of the Warsaw branch of the Alexander Pushkin Institute of the Russian Language; TPPR Cracow Administration Secretary Jerzy Lubas; and Wladyslaw Zajezierski, head of PZPR Cracow Committee Science & Education Department. [Text] [Cracow GAZETA KRAKOWSKA in Polish 25 Oct 85 p 6] 12607/7687

AMBASSADOR TO NORTH KOREA RECEIVED--Pyongyang, 3 Feb--Polish Ambassador to the Democratic People's Republic of Korea Mieczyslaw Dedo presented his credentials here Saturday to President of DPRK Kim II-Song. After the ceremony, the president received the Polish ambassador at a private audience. The sides stressed the will for further comprehensive development of relations between the two states. [Text] [Warsaw PAP in English 2021 GMT 3 Feb 86 LD] /12232

MESSNER RETURNS FROM CONGRESS--Zbigniew Messner, a member of the Polish delegation to the 27th CPSU Congress, returned to Warsaw this evening. [Text] [Warsaw Domestic SErvice in Polish 2200 GMT 3 Mar 86 LD] /12232

POREBSKI ADDRESSES SCIENCE CONGRESS—Warsaw, 6 March: The PUWP treats the congress with utmost attention and attaches great importance to it, Political Bureau member and CC secretary Tadeusz Porebski told the ongoing Congress of Polish Science here today. He said the congress was being held in a particularly crucial time for Poland as the country is facing an urgent need to map out its development strategy for the nearest several years. This will be the job of the upcoming 10th Congress of the party. The assumptions of the strategy will take into account the work of many fields of science and will be based on them to a significant extent, Porebski said, noting that it had been reflected in the draft programme of the PUWP presented to broad public debate. We see the Science Congress' debate as one of the most important voices in the discussion preceding the congress of the party, Porebski said. [Text] [Warsaw PAP in English 1412 GMT 6 Mar 86 LD] /12232

JARUZELSKI-LED DELEGATION RETURNS--The CPSU Central Committee gave a reception at the Kremlin in honor of the foreign guests who had taken part in the 27th Congress proceedings. At the reception, Mikhail Gorbachev gave a speech, and Tudor Zhivkov, on behalf of the guests, gave thanks for the invitations and the warm hospitality. In the afternoon, the PZPR Delegation to the 27th CPSU Congress, led by Wojciech Jaruzelski, made the return journey home. The Polish guests were seen off from Moscow Vnukovo Airport by Yegor Ligachev and Lev Zaykov, members of the Politburo and secretaries of the CPSU Central Committee. [Text] [Warsaw Domestic Service in Polish 1600 GMT 6 Mar 86 LD] /12232

MESSNER CHAIRS PRESIDIUM SESSION—The government Presidium has held a meeting in which preparations for spring work in agriculture were discussed and assessments of the situation in animal husbandry were made. The meeting was chaired by Premier Zbigniew Messner, and was attended by Sejm deputies; members of the Presidium of the Commission of Agriculture, Forestry and Food Economy; members of the Presidium of the National Union of Farmers and Rural Circles and Organizations; members of the leadership of the National Association of State Farm Enterprises; the Central Union of Agricultural Cooperatives; the Central Union of Peasant Self-Assistance Cooperatives; the Horticultural and Apiarian Union Cooperatives; and Central Union of Dairy Cooperatives. The government Presidium adopted the presented materials and made the appropriate decisions. [Text]
[Warsaw Television Service in Polish 1620 GMT 6 Mar 86 LD] /12232

CZYREK ON CPSU CONGRESS—A press conference was held in the party's Central Committee shortly after the PZPR delegation's return from Moscow. Taking part were members of the delegation to the 27th CPSU Congress, Jozef Czyrek and Jerzy Romanik. Referring to this important event in the life of the Soviet nation, of the whole socialist community, Jozef Czyrek emphasized the historic significance of the Soviet communists' congress. He spoke of the significant enrichment of theoretical and practical achievements in the work of socialist construction. The decisions made during the congress accept the need for an acceleration of the socioeconomic development of the land of the Soviets. Much attention was paid to the shaping of new human attitudes, to the need for unhampered discussion

about everything which hurts and hinders the fulfillment of the defined aims. Participants at the congress, in the names of their parties, organizations, fully approved the program, which is the fruit of often controversial discussions. The meeting was chaired by Jan Glowczyk. [No video available] [Text] [Warsaw Television Service in Polish 1830 GMT 6 Mar 86 LD] /12232

JARUZELSKI, MESSNER AT SCIENCE CONGRESS--Warsaw, 7 March--After the plenary discussion, the participants at the Third Polish Science Congress started to work on its final documents, that is a general resolution and a statement. This part of debates is attended by the president of the Council of State, Wojciech Jaruzelski. Present are Premier Zbigniew Messner and Sejm (parliament) speaker Roman Malinowski. [Text] [Warsaw PAP in English 1717 GMT 7 Mar 86 LD] /12232

JARUZELSKI, MESSNER MEET SCIENTISTS—A group of scholars participating in the Congress of Polish Science had a meeting last night in the Belweder Palace with Wojciech Jaruzelski, chairman of the Council of State. He said that the political and state leadership is very concerned about getting authentic and honest appraisals of the state of science and its capabilities. The congress created opportunity for that. The meeting, which lasted almost 4 hours and ended late at night, was attended by Premier Zbigniew Messner. [Text] [Warsaw Domestic Service in Polish 0600 GMT 8 Mar 86 LD] /12232

MESSNER ADDRESSES KRAKOW COMMITTEE—The efforts of scientists must be focused on solving problems of the economy, said Zbigniew Messner at a meeting in the Krakow Party Committee. An important matter for the development of Polish science and its effectiveness, the premier emphasized, is to renew its links with world science and especially to establish close cooperation with scientists from the CEMA states. He also added that the success of the program for extensive participation of science in the country's economic life will be decided equally by the concretization of individual programs and proper personnel policy in academic circles. [Text] [Warsaw Domestic Service in Polish 0600 GMT 15 Feb 86 LD] /12232

YOUTH AGREEMENT WITH USSR--A cooperation program between the Polish youth organizations and the Soviet Komsomol was signed in Moscow today. The new element marks an increase in the participation of youth from both countries in solving issues relating to economy and scientific and technological development. The documents were signed by Jerzy Szmajdzinski, chairman of the Main Board of the Union of Socialist Polish Youth, and representatives of the Union of Rural Youth, the Polish Scout Union and the Association of Polish Students. Viktor Mishin, first secretary of the Komsomol Central Committee, signed for the Soviet side. [Text] [Warsaw Domestic Service in Polish 1830 GMT 17 Feb 86 LD] /12232

DEBT AND LABOR PROBLEMS—A meeting of first secretaries of the basic party organizations from the capital and municipal voivodship with the executive of the PZPR Warsaw Committee was held in the Congress Hall in Warsaw under the slogan The Strength of the Party Lies in Activities of the Basic Party Organizations. A draft party program and social and economic tasks of Warsaw voivodship were discussed. Taking the floor in the discussion, Marian Wozniak touched upon the issues of the country's complicated economic situation. He spoke, among other things, on the level of our debts to capitalist countries, at the same time pointing out low quality, examples of bad labor organization and the lack of efficiency in the management of numerous enterprises. In the process of shaping economic awareness, the mechanisms of economic reform itself are not sufficient enough, Wozniak said. [Text] [Warsaw Domestic Service in Polish 2200 GMT 22 Feb 86 LD] /12232

PZPR VOIVODSHIP SECRETARIES CONFERENCE--A conference of PZPR voivodship committee secretaries was held on 13 February 1986, under the direction of Marian Wozniak, Politburo member and secretary of the PZPR CC. The talks dealt with the handling of crucial social policy problems and with the joint efforts of the PZPR with trade unions and self-management crews in their implementation. The participants underscored the important role of the unions and workers self-management in the process of implementing economic reforms, in raising management efficiency, and in encouraging broad-based public support for rationalization, innovation, resources conservation, and product quality. It was concluded that unions' and workers' self-management activities should promote raising the level of worker understanding of economic affairs, encourage their social and production activities, and strengthen the active participation of the working class in the process of economic planning and management. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /6091

SOVIET AMBASSADOR VISITS--On 13 February 1986 the Soviet ambassador, Vladimir Brovikov, visited Deputy Marshal of the Sejm Mieczyslaw Rakowski. The visit marked the beginning of Brovikov's diplomatic mission in Poland. Ambassador Brovikov also visited Deputy Marshal of the Sejm Marek Wieczorek on the same day. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /6091

EDUCATION PROBLEMS DISCUSSED--A 3-day seminar on the fundamental problems of party-educational activities was concluded at the PZPR CC Party Training Center. Participants included the secretaries of teachers committees and staff members of PZPR voivodship committees working with educational issues. The aktivs' main concern was to assure the effective implementation of the resolutions set forth by the 24th Plenum of the PZPR CC. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /6091

KALISZ, TARNOBRZEG DEFENSE COMMITTEES--The Kalisz and Tarnobrzeg Voivodship Defense Committees held meetings on 14 February 1986. In Kalisz, the committee discussed the socioeconomic achievements of the PZL Transportation Equipment Plant. In Tarnobrzeg, in cooperation with the Voivodship Delegates Caucus, the committee evaluated the implementation of tasks in combating social parasitism. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 8] /6091

ROMANIA

PARTY WORK IN TRANSPORT, TELECOMMUNICATIONS MINISTRY

Bucharest SCINTEIA in Romanian 11 Dec 85 pp 1, 2

[Article by Constantin Priescu and Anica Florescu: "Active Participation, One Filled With Responsibility in the Fulfillment of Major Tasks"]

[Text] In the 21 base organizations subordinate directly to the party committee in the Ministry of Transportation and Telecommunications — those within the department of the railroads, the department of ship transportation and the general directorate of posts and telecommunications — over 870 communists are working. If we also take into account the communists in the other sectors of the ministry who have their own party organizations that are not subordinate to the party committee there — those within the department of civil aviation, the Central for Vehicular Transportation and those in the four research and design institutes involved in transportation problems — we can see that the number of people increases considerably. The existence of a significant number of communists shows right from the start the fact that within the framework of the Ministry of Transportation and Telecommunication powerful base organizations are at work which can and must make a significant contribution to mobilizing party members and the other workers in carrying out the policies of our party and state in this sector of great importance for our national economy.

The permanent direction of the communists' work and the focusing of their efforts towards the important goals of the ministry are achieved by way of the problems which the party committee periodically places on its agenda and by way of the analytical and revolutionary spirit in which these problems are to be approached and transmitted as a means of thinking and acting to each communist.

Have and are these requirements being met in actual practice?

The answer to this question must first of all begin with the sharp criticism directed not long ago by the party leadership in connection with the manner in which activities are being carried out in this sector and the manner in which they are being managed. In the 4 September 1985 session of the Political Executive Committee of the RCP Central Committee, it was clearly stated: "The Political Executive Committee evaluated as unsatisfactory the activity of the Ministry of Transportation and Telecommunications and the management of this ministry – and has asked that measures be taken urgently to ensure the radical improvement of

work and the fulfillment of the tasks of this sector under the best possible conditions." Let us similarly begin with a requirement formulated by comrade Nicolae Ceausescu, the secretary general of the party, at the recent plenary session of the Central Committee: "The leadership council of the Ministry of Transportation must work with more responsibility for strengthening discipline and order and for carrying out transportation under good conditions."

What are the causes that have brought about such exigencies regarding the activities in this sector?

Among these causes - with most of them belonging to the inappropriate manner in which the leadership council of the ministry and the communists who belong to this organism have occupied themselves and worked to implement the tasks that have been established in the field of transportation - we can also see the fact that in the working style of the party committee and in their approach to economic tasks there have been and are serious shortcomings. These are shortcomings which, once decisively eliminated, can also naturally bring about improvements to all management activities and can imprint an involved, revolutionary working style that is designed to put to best use the thoughts and actions of each communist in the exemplary fulfillment of the especially important tasks of this ministry. As was stressed at the recent plenary session of the RCP Central Committee, the improvement of party organization activities and the forms of management and the strengthening of responsibility, order and discipline are determining factors for ensuring good management in overall economic activities. Through the prism of these requirements and the exigencies formulated by comrade Nicolae Ceausescu it is necessary to work fully decisively to eliminate negative states of affairs and deficiencies in the work style of the party committee.

First of all, we are talking about the manner in which the committee exercises its function as the leading political force and the way in which it analyzes the activities carried out by communists and personnel having responsibilities for fulfilling the major economic objectives of this important sector of the national economy. The analyses in this field that have been carried out by the party committee are far from what they should be - of a deep examination of the causes that generate shortcomings, of seeking and finding solutions and of adopting certain technical and political-organizational measures that will involve all the communists, specialists and workers in the ministry in resolving this situation. Quantitatively, these analyses are doing much on important problems. Reviewing the number of topics of these analyses - "The Concerns of the Communists in the Department of Ship Transportation for Strengthening Order and Discipline in the Maritime and River Fleets," "An Analysis of the Manner in Which the Ministry's Party Committee and Leadership Council Work to Fulfill the Program to Increase Labor Productivity," "The Concerns of the Communists in the Railroad Department for Strengthening Traffic Safety," "Analysis of the Inappropriate State of Work in Investment Projects and the Establishment of Measures to Recover Arrearages" - you would expect that these would have brought about an improvement in the work in the areas that were analyzed and that they would have represented a test of the competency and revolutionary responsibility for

the party committee and the communists who head the respective offices. In reality, these analyses - beginning with the manner in which they were conceived (short reports that were frequently written precisely by those who head the respective areas) and ending with the manner in which they were concluded (in addition to the fact that the measures adopted following these analyses were not thorough, the party aktiv did not participate nor did the experienced communists, their implementation did not constitute a decisive stage of political activity) - tend more to mimic an approach to the major problems of the ministry than an effort to effect them in their essence.

In April, for example, the party committee analyzed the concern of the communists in the department of ship transportation for strengthening order and discipline and for the efficient use of the available ship capacity. One such subject submitted for discussion at an opportune moment - after the first working quarter, when the end of the difficulties imposed by a harsh winter was imminent and when it was possible to outline a true "strategy" of action - was the strengthening of political work in this field to make up for the shortfalls that had occurred. And, the report presented by the bureau of the base organization and the management of the department before the party committee represented not a thorough analysis through which they would be involved by name and according to their positions and responsibilities, as well as all the communists responsible for coordinating activities in this area, but rather a "demonstration" of numerous reviews that had been carried out by the specialists in the department throughout the units in order to strengthen order and discipline. It went so far that instead of establishing the causes of the inefficiency of the review, it dealt with statistics from the last 2 years even though it was analyzing the situation of a single quarter - and it took into account... over 2,000 reviews (???). Is it possible for this analysis, which abounded in justifications and in numbers showing the frequency of reviews, to make a good impression upon someone? It is certain, however, that it did not have and could not have a real efficiency. This is also undoubtedly proven by the fact that a later review, carried out by a group from the RCP Central Committee tasked with analyzing the causes of the overall inappropriate activities of this ministry and with establishing measures to radically improve work there, revealed the most serious deficiencies in the area of ship transportation, linked especially to the inappropriate use of ship capacities in the country's maritime and river fleets. In order to eliminate these deficiencies, the necessary technical and political-organization measures have only now been established.

The efficiency of analyses carried out by a party organ is determined in the end, as is known, not by the number of analyses, but rather by their quality and by their ability to uncover in a timely fashion the causes which generate deficiencies and shortfalls, to establish effective measures to correct a situation and to ensure the effective participation of all resources to achieve this.

That this was not understood in a fully responsible way either after the reviews that were carried out or after the measures were established, is also shown by the manner in which they dealt with the situation of failing to achieve in the plan in base organization No 2 - the directorate of railcar traffic - within the framework of the railroad department on the occasion of the annual general assembly for reporting. Before the communists, the report of the bureau of the base organization (secretary: engineer Constantin Tabacaru) "dealt" with, among other things, the situation in the following manner: "Although comrade Iulian Tudose, deputy minister, did everything to set things right, activities in the field of rail transportation continue to record serious deficiencies." What kind of criticism is this? Does this base organization feel that such a criticism in any way helps to set things right? Does the party committee believe that in this way it will be able to ensure a radical improvement in party activities in the ministry, as the party leadership requested?

Naturally, there are other means of party work through which the base organization and the party committee can mobilize the activities of the communists and their revolutionary spirit. In increasing their contribution to resolving the complex problems of the transportation sector, the party committee can call upon and must call upon to a greater degree than up to now the specific, differentiated effort of each communist so as to better use both the potential of the individual and that of the group to which the individual belongs. Over 60 percent of the party members in the ministry, by virtue of their job functions, are traveling among the units and are carrying out guidance and review activities. Has the party committee ever analyzed - as would be natural and necessary this facet that is so important and essential to the activities of the communists in the ministry in order to thoroughly understand the problems in the field and how to resolve them? "No, not to date, no," the party committee secretary tells us. "We have his requirement in mind for the next stage." And, is not each communist asked, in the spirit of the Party Statutes, to permanently carry out his professional tasks - including those for which he travels into the field - of knowing in a timely fashion which problems have been resolved and which have not. This means if he does not do this he leaves things to run by themselves, he does not carry out a political-organizational activity in accordance with the requirements and exigencies placed before the party committee in the ministry and before each communist. But, the deficiencies of such a work style are also clearly shown in the overall results that have been obtained to date in the ministry, where only two sectors - posts and telecommunications and the department of civil aviation - have shown positive results.

Recently, the bureau of the party committee established the practice of requesting nearly monthly reports regarding the activities carried out by the bureaus of the party organizations and by the communists for fulfilling their professional tasks and the affairs of the organization. Through the prism of the need to understand the positive experiences in this area and to ensure their spread, this is a good direction. It should not, however, replace the statutory requirement — which each communist has — to periodically present individual reports before the base organization or the party committee to which the person belongs. In the Ministry of Transportation and Telecommunications,

there is, unfortunately, such a tendency. For example, to date, there has not been presented a single report - with the exception of one case - by a member of the party committee or a person from the leadership of the ministry, even though the number of personnel - beginning with office chiefs and deputy director generals - is much greater than 200. The absence of such reports, such open, communist reports, can have consequences and bring penalties - and, as has been seen, brings them both to the act of technical-administrative management and to political leadership.

It is true that in the latest period, beginning especially in October, the party committee has reconsidered its work style and, in the spirit of the exigencies established by the party leadership, is giving the greatest attention to realistically drawing up the analyses that have been involved, involving the party aktiv and thoroughly analyzing the work that has been carried out by those communists having responsible positions and by all the communists in the ministry on the basis of activity reports. All this constitutes, without a doubt, a guarantee for the improvement of the general activities of the ministry — and first of all for the use indices for the means of transportation in the railroad and maritime—river sectors, and, on this basis, for increasing economic efficiency.

One last problem which we will bring into discussion in connection with increasing the contribution of the communists in dealing efficiently with the major problems of this ministry refers to the development of a permanent cooperation - on one hand between the party committee within the Ministry of Transportation and Telecommunications and the party organs and organizations in the sectors of the ministry which are not subordinate to it and, on the other hand, the party committees in the other ministries which benefit from transportation services. Such cooperation, promoted either from the direct initiative of the party committee in the ministry or coordinated by the municipal party committee and the party committee in Sector No 1, would be capable of ensuring the overall more efficient involvement of party organs and organizations in the fulfillment of the important tasks in transportation. Such cooperation, achieved through the specific methods of party work, would be able to transmit its results over time through the intermediary of the communists in the ministry down to the base organizations by way of the rational use of technical resources, the reduction of transport costs, the more powerful development of rail transportation, the regular satisfaction of the requirements of the national economy and the growth of efficiency in all economic activities. This would be beyond a doubt in the interest of party activities and the national economy.

Benefiting this year from the direction and on-site guidance and from the conclusions formulated on these occasions by the two review groups from the RCP Central Committee, it is absolutely necessary now to have a radical improvement in the work style and methods of the party committee and the base organizations in this ministry — through the implementation of the lessons that have been shown and the measures that were established. And, the purpose is for party work, through its many means, to become really the decisive factor in improving activities in this ministry for the promotion of a new, higher quality in all its sectors and for ensuring high economic efficiency.

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CSO: 2700/69

ROMANIA

BRIEFS

PEOPLES COUNCILS CHAIRMEN--On the basis of Article 97 of Law No 57/1968 on the organization and operation of the peoples councils, the president of the Socialist Republic of Romania decrees that Comrade Andrei Sorcoiu is delegated to fill the position of chairman of the executive committee of the Bihor County Peoples Council, Comrade Mihai Marina is delegated to fill the position of chairman of the executive committee of the Constanta County Peoples Council, and Comrade Constantin Dinu is delegated to fill the position of chairman of the executive committee of the Mehedinti County Peoples Council. [Excerpts] [Bucharest BULETINUL OFICIAL in Romanian Part I No 8, 12 Feb 86 p 2] /9365

CSO: 2700/104

SOCIOLOGY

GERMAN DEMOCRATIC REPUBLIC

HIGH JOB TURNOVER RATE CONTINUES IN INDUSTRY

West Berlin IWE TAGESDIENST in German No 33, 28 Feb 86 p 1

[Article datelined IWE Berlin, 28 Feb 86: "Continuing High Job Turnover in GDR Industry"]

[Text] Labor force turnover in GDR industry continues to be relatively high, as is shown in studies published by the scientific journal of the Dresden Technical University. It was stated that the problems arising from this had "not diminished in significance." The principal reasons cited for the effort to change jobs were dissatisfaction with job duties, with the intellectual demands of the work, with the relationship between performance and salary, and with the labor organization. Contradictions between the qualifications possessed and the potential for putting them to practical use led to "a high degree of effort to change jobs." It was stated that in various branches of industry, more than two-thirds of the skilled workers in undemanding job slots had attempted to change jobs. This indicated a trend: in the case of workers possessing higher than requisite qualifications to perform job duties, the effort to change jobs was "especially evident." The studies confirmed previously obtained sociological data showing that workers' willingness to change jobs decreases with increasing age. According to the data, 32 percent of the workers under 20 strove to make a job change in the same plant, and 37 percent to change plants; in the case of those over 50, the corresponding percentages were 20 and 1. A similar relationship existed with respect to length of service in the plant.

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